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California, ex rel Edwin F. Lowry, Director,  
California Department of Toxic Substances Control

SK ✓  
RK ✓  
DK -

Now Anything else you  
want done with this?

DK

FILE

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF LOS ANGELES

PEOPLE OF THE STATE OF CALIFORNIA, ex)  
rel. Edwin F. Lowry, Director, California )  
Department of Toxic Substances Control and City )  
of Santa Fe Springs, )

Plaintiffs,  
v.

CENCO REFINING COMPANY, a Delaware )  
Corporation, POWERINE OIL COMPANY, a )  
California Corporation and Does 1-10, )

Defendants.

No. BC 230158

STIPULATION FOR  
SETTLEMENT AND ENTRY OF  
JUDGMENT

Plaintiff, People of the State of California, ex rel. Edwin Lowry, Director, Department  
of Toxic Substances Control ("the Department"), and Defendants CENCO Refining Company  
("CENCO") and Powerine Oil Company ("Powerine") (collectively "Defendants") enter into  
this Stipulation for Settlement and Entry of Judgment ("Stipulation") and stipulate as follows:

1. THE COMPLAINT

1.1. On May 17, 2000, the People of the State of California, ex rel. Edwin Lowry,  
Director, Department of Toxic Substances Control, filed a Complaint for Civil  
Penalties and Injunctive relief pursuant to the California Hazardous Waste

Control Law, Health and Safety Code sections 25100 et seq. ("HWCL") against Powerine and CENCO as the successive owners and operators of a crude oil petroleum refinery located at 12345 Lakeland Road in the City of Santa Fe Springs, California ("the Lakeland Road Refinery").

1.2. The Complaint alleges that Defendants violated and continue to violate certain provisions of the HWCL and the HWCL regulations (California Code of Regulations, title 22, Div. 4.5, §§ 66000 et seq.). The Complaint requests injunctive relief and penalties against each of the defendants named therein.

1.3. The Department filed the complaint jointly with City of Santa Fe Springs, who was the lead plaintiff for Causes of Action Four through Eight. On August 29, 2001, the Court entered a Judgment pursuant to Stipulation on Causes of Action Numbered Four through Eight.

## **2. JURISDICTION**

The Department and Defendants agree this Court has subject matter jurisdiction over the matters alleged in the Complaint and personal jurisdiction over Defendants.

## **3. WAIVER OF HEARING AND TRIAL AND ENTRY OF JUDGMENT**

By signing and entering into this Stipulation, Defendants waive their right to a hearing and/or trial under the Health and Safety Code on the violations described in section 12.1 of this Stipulation. Further, Defendants and the Department request this Court to enter Judgment for Plaintiff in the form and substance set forth in Attachment A to this Stipulation.

## **4. SETTLEMENT**

The Department and Defendants jointly enter into this Stipulation pursuant to a compromise and settlement of disputed claims for the purpose of avoiding prolonged and complicated litigation and furthering the public interest. Time is of the essence in this Stipulation. The Parties agree that there has been no adjudication of any fact or law and that Defendants do not admit any of the allegations of the Complaint, including without limitation, those relating to the classification of the contents of the tanks.

1     **5.     PAYMENT OF CIVIL PENALTIES AND COSTS TO THE DEPARTMENT**

2             5.1.   Defendants shall pay the Department the sum of \$1,000,000, of which \$100,000  
3                   shall be considered enforcement-related costs and \$900,000 shall be considered  
4                   civil penalties. These amounts shall be due on the Effective Date but may be  
5                   paid as set forth below.

6             5.2.   Defendants shall make an initial payment \$100,000 within fifteen days of the  
7                   Effective Date. Thereafter Defendants shall make annual payments. The first  
8                   of the annual payments shall be due on the first day of the month beginning  
9                   twelve months after the Effective Date and shall be no less than \$180,000.  
10                  Subsequent payments shall be due on the same day of the following year and  
11                  each ensuing year and shall be no less than \$180,000. The payments shall  
12                  continue until Defendants have paid the entire penalty including any accrued  
13                  interest for late payments. Nothing in this Stipulation shall preclude Defendants  
14                  from making early payments.

15            5.3.   The Department represents that since 1998, it has incurred in excess of  
16                  \$100,000 for enforcement activities at the Lakeland Road Refinery. This  
17                  amount includes, but is not limited to, staff time and legal costs.

18            5.4.   Defendants shall make the payments required by this section in accordance with  
19                  the procedures specified in Section 6 of this Stipulation.

20     **6.     MANNER OF MAKING PAYMENTS**

21            6.1.   All payments required pursuant to this Stipulation shall be made by wire  
22                  transfer or by certified or cashier's check, payable to the Department of Toxic  
23                  Substances Control and shall bear the title and case number as follows "People  
24                  v. CENCO Refining Company et. al., No. BC 230158, Los Angeles County  
25                  Superior Court."

26     ///

27     ///

28     ///

1           6.2. Defendants shall send all payments to:

2                   Department of Toxic Substances Control  
3                   Accounting Office  
4                   1001 I Street  
5                   P.O. Box 806  
6                   Sacramento, CA 95812-0806  
7                   Attention: Karen Poon.

8           If by wire transfer, Defendants shall send payment utilizing the California Treasurer's Wire  
9           Transfer program.

10           A copy of all payments shall be sent to :

11                   Florence Gharibian  
12                   Department of Toxic Substances Control  
13                   1101 N. Grandview Ave  
14                   Glendale, California 91201

15                   Nancy Long  
16                   Department of Toxic Substances Control  
17                   Office of Legal Counsel  
18                   1001 I Street  
19                   P.O. Box 806  
20                   Sacramento, CA 95812-0806

21           6.3. Where a due date falls on a Saturday, Sunday or on a federal or state holiday,  
22           then the due date shall be the close of business on the next working day.

23           **7. INJUNCTIVE PROVISIONS - TANK CLOSURE**

24           Defendants and each of them agree to empty and clean certain tanks at the Lakeland  
25           Road Refinery as described in this section and section 10 of the Stipulation. For the purposes  
26           of this Stipulation, the term "Tank Closure" shall mean and be limited to the tasks required by  
27           this Section.

28           7.1. Defendants shall empty and clean Tanks 10006, 27105, 5516, 96109 and 96110  
             at the Lakeland Road Refinery. Defendants shall clean the tanks in the order  
             listed unless Defendants receive permission in writing from the Department to  
             proceed in a different order. Defendants and their agents shall comply with the  
             requirements of section 7.7.

             7.2. Defendants shall retain one or more engineering or tank cleaning firms to do the

1 Tank Closure, which firm(s) shall have appropriate certifications, qualifications,  
2 experience and indemnity and liability insurance. The costs, charges and  
3 expenses of the Tank Cleaning firms and their subcontractors, including any costs  
4 associated with sampling, analysis or performance of pilot tests in conjunction  
5 with the Tank Closure, shall be known in this stipulation as "Third Party Tank  
6 Closure Costs." Third Party Tank Closure Costs are subject to the restriction of  
7 the following paragraph.

8 7.3. Third Party Tank Closure Costs shall not include any money paid, or to be paid,  
9 to CENCO or Powerine employees or any other internal costs or expenses  
10 incurred by CENCO or Powerine in conjunction with the Tank Closure. Nothing  
11 herein shall prevent qualified CENCO employees from performing any part of the  
12 Tank Closure work.

13 7.4. Unless, pursuant to section 10.3 below, Defendants receive authorization to halt  
14 Tank Closure, Defendants shall send out requests for proposals for the Tank  
15 Closure project no later than thirty-one (31) days after the Effective Date of this  
16 Stipulation. Defendants shall begin actual field work no later than 91 days after  
17 the Effective Date of this Stipulation.

18 7.5. Unless, pursuant to section 10.3 below, Defendants receive authorization to halt  
19 Tank Closure, within sixty days of the Effective Date, Defendants shall submit  
20 a workplan, including a worker health and safety plan, and schedule describing  
21 how they will conduct the work required by this section.

22 7.6. Unless, pursuant to section 10.3 below, Defendants receive authorization to halt  
23 Tank Closure, Defendants shall complete the work required by section 7.1 no  
24 later than December 31, 2002.

25 7.7. Defendants and their agents shall complete the Tank Closure, and all work  
26 conducted pursuant to this Stipulation, in accordance with the HWCL and all  
27 applicable local, state and federal laws.

28 7.7.1. Defendants may discharge water contained in Tanks 10006 and 27105 to

1 the Lakeland Road Refinery's wastewater treatment system provided  
2 such discharge is in accordance with the terms of CENCO's industrial  
3 discharge permit issued by the Los Angeles County Sanitation District.  
4 Defendants may temporarily place all free oil removed from the Tanks  
5 10006 and 27105 in Tank 20014. Upon completion of the Tank Closure,  
6 Defendants shall send that oil off-site for recycling or disposal at an  
7 authorized facility. Defendants and the Department shall presume that  
8 all solids removed from Tanks 27105 and 10006 are characteristic  
9 hazardous wastes. However, if Defendants demonstrate through  
10 sampling and analysis, to the satisfaction of the Department, that the  
11 solids do not exhibit any characteristic of hazardous waste, and the  
12 Department provides Defendants with a written statement to that effect,  
13 Defendants and their agents may manage those solids as non-hazardous  
14 waste. The sampling and analysis shall be conducted in accordance with  
15 California Code of Regulations, title 22, Division 4.5, Chapter 11,  
16 Article 3, including the standards of the then-current version of the  
17 United States Environmental Protection Agency publication "Test  
18 Methods for Evaluating Solid Waste, Physical/Chemical Methods,"  
19 SW-846. Defendants shall not commingle solids from Tanks 27105 or  
20 10006 with any listed hazardous wastes.

21 7.7.2. Defendants and their agents shall manage all sludge and solids removed  
22 from Tanks 96109 and 96110 as RCRA hazardous waste K169.  
23 Defendants contend that the oil currently stored in Tanks 96109 and  
24 96110 is crude oil that has not been in any manner processed or  
25 adulterated and is therefore not a waste. The Department has no  
26 information to refute that contention.

27 7.7.3. Defendants and their agents shall manage all materials removed from  
28 Tank 5516 as RCRA hazardous waste K170.

1 7.7.4. Tank Closure shall be considered complete when all residues have been  
2 removed from all of the tanks identified in sections 7.1 or 7.8, the  
3 tanks have been cleaned in accordance with standard industry practice  
4 as referenced in California Code of Regulations, title 22, section  
5 67383.3(b), and all residues have been managed in accordance with  
6 this Stipulation.

7 7.7.5. If Defendants or their agents dismantle any of the tanks identified in  
8 sections 7.1 or 7.8 they shall do so in accordance with the standards  
9 and procedures of California Code of Regulations, title 22, section  
10 67383.3, subsections (b) through (f).

11 7.7.6. Defendants and their agents shall take all appropriate precautions to  
12 minimize odors during the removal process.

13 7.7.7. Nothing in section 7.7 precludes Defendants and the Department from  
14 modifying this Stipulation to allow Defendants to handle any of the  
15 materials removed from any of the tanks covered by this Stipulation in  
16 any alternate manner allowed by law.

17 7.8. Defendants shall also clean Tanks 1002, 2030, 3012, and 3072, and shall  
18 complete the work required by this section no later December 31, 2002. Residues  
19 from the spent caustic tanks (Tanks 1002 and 2030) may be washed to the  
20 refinery's wastewater treatment system. Solids from the recovered oil tanks  
21 (Tanks 3012 and 3072) shall be managed in the same manner as the solids from  
22 Tanks 10006 and 27105.

23 7.9. Beginning in the first month following the Effective Date and continuing until  
24 Defendants receive the certification and release specified in section 7.10,  
25 Defendants shall submit monthly progress reports to the Department describing  
26 their progress with the Tank Closure project. The report shall be due on the  
27 15th day of each month and shall describe the activities completed during the  
28 prior month.

1 7.10. Upon notification from Defendants that Tank Closure is complete, the  
2 Department will inspect or otherwise evaluate the Tanks. If the Department  
3 determines that Defendants have completed the Tank Closure, the Department  
4 will send Defendants a written certification and release to that effect. The  
5 Department will not unreasonably withhold the written certification and release.  
6 Defendants' obligation to complete the Tank Closure shall terminate upon  
7 issuance of the certification and release. If after four weeks from giving notice  
8 pursuant to this paragraph, Defendants have not received the certification and  
9 release to stop Tank Closure, Defendants may petition the Court to issue an  
10 equivalent certification and release.

11 **8. PRIMARY FUNDING FOR TANK CLOSURE**

- 12 8.1. CENCO estimates the Third Party Tank Closure Costs will be no more than  
13 \$1,357,484. The basis for that estimate is shown in Attachment B of this  
14 Stipulation. CENCO believes the cost estimate in Attachment B is accurate, to  
15 the best of its knowledge, and is based on an accurate description of the tank  
16 contents and takes into account the difficulties of removing the materials from the  
17 tanks and other relevant factors, including the cost of transporting and managing  
18 the residues off-site. CENCO represents that it knows of no reason to expect  
19 that any of the estimates contained in Attachment B are too low or that the list  
20 of costs included in Attachment B is incomplete. This estimate is based on a  
21 good faith and thorough inquiry.
- 22 8.2. Within 10 business days of the Effective Date, CENCO shall deposit no less than  
23 \$1,490,000 into an interest-bearing trust account, to be known herein the Lakeland  
24 Road Tank Closure Account. The sole and governing purpose of the Lakeland  
25 Road Tank Closure Account and the funds contained therein shall be to pay the  
26 Third Party Tank Closure Costs described in section 7.2 and to pay the  
27 Department's oversight costs.
- 28 8.3. The Department is the beneficiary of the Lakeland Road Tank Closure Account.



Administration of this trust fund is to be consistent with administration of trust funds established pursuant to California Code of Regulations, title 22, section 66265.143(a). The Department, and no other party, may authorize a withdrawal from the Lakeland Road Tank Closure Account. A copy of the Trust Agreement appears as Attachment C to this Stipulation.

8.4. Until Defendants receive the certification and release identified in section 7.10, CENCO and the Department agree to take all reasonable steps to prevent any person or party from causing any portion of the Lakeland Road Tank Closure Account to be used in way inconsistent with this Stipulation.

8.5. Money in the Lakeland Road Tank Closure Account may be expended only as follows.

8.5.1. Funds in the Lakeland Road Tank Closure Account shall be used to pay only Third Party Tank Closure Costs, as defined in section 7.2, and the Department oversight costs.

8.5.2. If, at any point, it appears that all of the work required by section 7.1 will be completed without expending all of the funds in the Lakeland Road Tank Closure Account, the Department may authorize appropriate expenditures from the Lakeland Road Tank Closure Account to accomplish the work required by section 7.8.

8.5.3. If, at any point, it appears that Defendants shall expend more emptying and cleaning an individual tank than the amount specified in Attachment B for that tank, Defendants shall so inform the Department in the next monthly progress report required by section 7.9.

8.5.4. Within 90 days of the Effective Date, the Department shall provide Defendants with an estimate of its Tank Cleaning oversight costs. Upon completion of all Tank Closure work, and only then, the Department shall be entitled to reimbursement of its oversight costs from the Lakeland Road Tank Closure Account. To the extent that such oversight

costs exceed \$50,000, Defendants shall be entitled to reduce the amount of penalty owed by the amount of the oversight cost overrun.

8.6. In the event Defendants fail to timely perform the Tank Closure, upon 30 days prior notice to Defendants (which notice shall detail the alleged failure to perform) and Defendants' failure to remedy the problem within such time period, the Department shall have the right to expend funds in the Lakeland Road Tank Closure Account for tasks consistent with sections 7.1 and 7.8.

8.7. Following issuance by the Department of the certification and release described in section 7.10, and after payment in full of all Third Party Tank Closure Costs and reimbursement of the Department's reasonable oversight costs, the Department shall authorize the Trustee to remit any funds remaining in the Lakeland Road Tank Closure Account, including any accrued interest, to CENCO and those funds shall be the property of CENCO solely. If after four weeks from issuing the certification and release, the Department has not authorized the Trustee to remit funds, CENCO may petition the Court to so authorize the Trustee.

## 9. SECONDARY GUARANTEE OF TANK CLOSURE

9.1. On June 28, 1999, Defendant Powerine Oil Company obtained a pre-judgment writ of attachment on the real property owned by CENCO located at 10806 Bloomfield Avenue, Santa Fe Springs (the "Bloomfield Property"). On January 27, 2000, Powerine recorded an abstract of judgment in the amount of \$419,511 against all real property owned by CENCO in the County of Los Angeles. A copy of a Preliminary Title Report dated July 2001, evidencing the writ and the judgment lien is provided in Attachment D to this Stipulation. Defendants represent that they believe this Preliminary Title Report to be accurate.

9.2. Within 15 days after the Effective Date, Powerine shall collaterally assign its judgment lien on the Bloomfield property to the Department to cover potential deficiencies in the amount of funding available for tank closure. At that time, Defendants shall provide a representation that all of the representations of

section 9 are still accurate.

9.3. Defendants represent that, as of the Effective Date, Powerine's judgment lien is junior to various county and/or city tax liens and to five more senior judgment liens. Pursuant to Code of Civil Procedure section 701.570(d), CENCO is entitled to request that the various parcels of property that are subject to a lien be sold separately and in a particular order, which request shall be honored by the levying officer if the requested manner of sale will yield the amount required to satisfy the judgment. In the event that foreclosure becomes necessary as provided in section 9.4 of this Stipulation, the Bloomfield Property shall be designated by CENCO as the property to be sold.

9.4. Powerine's lien shall hereafter be known as the "Bloomfield Lien." CENCO represents that the collective amount of the tax liens on the Bloomfield Property and the five senior judgment liens is approximately \$810,000. Defendants further represent that the fair market value of the Bloomfield Property exceeds by one million dollars or more the combined amount of these liens plus the Bloomfield Lien.

9.5. Subject to the provisions of section 9.5.1, the Department shall be entitled to commence foreclosure proceedings on the Bloomfield Lien if and only if both of the following circumstances exist: (i) the amount of funding in the Lakeland Road Tank Closure Account appears inadequate to fully pay for the Tank Closure, and (ii) Defendants have not timely completed Tank Closure.

9.5.1. In order that Defendants shall have the opportunity to forestall foreclosure of the Bloomfield Lien, the Department shall provide CENCO with prior written notice of its intent to exercise its rights under the lien, and shall not commence foreclosure proceedings before 90 days after such notification.

9.5.2. The Department shall not be entitled to foreclose if Defendants have deposited sufficient additional funds in the Lakeland Road Tank

Closure Account to complete the Tank Closure work required under section 7.1.

9.5.3. The Department shall not be entitled to commence foreclosure of the Bloomfield Lien solely for the purpose of either or both of the following: to obtain funds to clean Tanks 1002, 2030, 3012 or 3072 or to obtain reimbursement of its oversight costs.

9.5.4. In the event CENCO sells the Bloomfield Property prior to issuance of the certification and release described in section 7.10, CENCO shall deposit the sum of \$419,511 in the Lakeland Road Tank Closure Account upon close of escrow for that sale; the escrow agreement will reflect that obligation.

9.6. Concurrently with the issuance of the certification and release pursuant to section 7.10, the Department shall transfer its beneficial interest in the Bloomfield Lien back to Powerine.

## **10. RESUMPTION OF REFINING**

Subject to the limitations of this section, CENCO may notify the Department at any time of its intent to resume crude oil refining operations at the Lakeland Road Refinery and request permission to halt Tank Closure in anticipation of recycling the contents of Tanks 10006, 27105, 5516, 96109 and/or 96110 to the refinery's Coker Unit. It is expressly understood by all parties that the period of time that will be required to complete the refinery turnaround and to achieve steady-state operation of the Coker Unit exceeds the period of time otherwise allowed by this Stipulation for Tank Closure and that the Tank Closure Period shall be tolled on the date, if any, when CENCO is granted authorization pursuant to section 10.3.

10.1. CENCO shall not notify the Department of its intent to resume refining unless one of the following has occurred:

10.1.1. CENCO has obtained a binding commitment from one or more lenders to provide sufficient financing to CENCO to restore the Lakeland Road Refinery and resume refining operations, including operation of the

1 Coker Unit.

2 10.1.2. CENCO has entered into a binding contract to sell the Lakeland Road  
3 Refinery to a third party, which party intends to restore the refinery and  
4 resume refining operations, including operation of the Coker Unit, has  
5 sufficient financial resources to do so, and has committed to recycle the  
6 tank contents to the Coker.

7 10.1.3. CENCO has entered into a processing agreement or other type of  
8 contractual arrangement with a third party pursuant to which the  
9 refinery will resume refining operations, including operation of the  
10 Coker Unit.

11 10.2. Defendants shall bear the burden of demonstrating that any continued storage  
12 and onsite processing authorized by section 10 is protective of human health and  
13 the environment. In any notice that Defendants submit pursuant to section 10.1,  
14 Defendants shall include statements demonstrating the following.

15 10.2.1. That Defendants can process the materials remaining in the tanks  
16 identified in section 7.1 in full compliance with the HWCL and all  
17 local, state and federal laws and in a manner that is fully protective of  
18 human health and the environment and that minimizes odor emissions.

19 10.2.2. That the ongoing storage of materials in the tanks identified in section  
20 7.1 will not harm human health or the environment. In the notice,  
21 Defendants shall include tank inspection results, not including internal  
22 inspections, but otherwise fully consistent with the highest standards of  
23 the American Petroleum Institute standard API-653, demonstrating that  
24 Defendants can safely continue storage in the tanks identified in section  
25 7.1 for an additional two years.

26 10.2.3. That Defendants can and will manage the ongoing storage in a manner  
27 that is fully protective of human health and the environment and that  
28 minimizes odor emissions.

10.2.4. That during the period of storage, Defendants can and will comply with California Code of Regulations, title 22, sections 66265.194 through 66265.196 and 66265.15 as well as with any and all applicable standard petroleum refining inspection protocols. This section applies only to the tanks identified in sections 7.1 and 7.8 and any other tanks containing hazardous waste.

10.2.5. That CENCO has identified the steps necessary to ensure on an ongoing basis that the continued storage of the tank contents is protective of human health and the environment.

10.2.6. That CENCO has prepared a schedule of when it expects to (i) complete the refinery turnaround, (ii) begin processing the tank contents in the Coker Unit, and (iii) complete processing.

10.2.7. That CENCO has obtained or will obtain all necessary governmental permits for the storage and processing.

10.3. Upon receipt of notice under section 10.1, the Department shall determine if one of the conditions of section 10.1 is met and if the conditions of 10.2 are met. If the Department determines that the conditions of sections 10.1 and 10.2 are met, the Department will authorize Defendants to stop Tank Closure operations. Defendants thereafter shall have the option of halting Tank Closure operations. If after four weeks from giving notice pursuant to section 10.1, Defendants have not received authorization from the Department to stop Tank Closure, the Defendants may petition the Court for authorization to stop Tank Closure.

10.4. If Defendants receive the authorization specified in section 10.3, Defendants may commence onsite processing only if all of the conditions described in section 10.2 remain satisfied. If, subsequent to giving the notice specified in section 10.1, Defendants learn of any reason why any of the representations that Defendants gave pursuant to section 10.1 or 10.2 is no longer valid, they shall

immediately notify the Department, resume the Tank Closure and complete Tank Closure within the time allowed under sections 7.6 and 7.8 as calculated at the time Defendants received the authorization specified in section 10.3, plus 45 days for rebidding and remobilization. At any time the Department may petition the Court to order Defendants to resume Tank Closure, if it has reason to believe the conditions of either section 10.1 or 10.2 are no longer valid.

- 10.5. Within two years of receiving the authorization specified in section 10.3, Defendants shall remove all remaining materials from the tanks identified in section 7.1 and either process that material on-site or send it offsite for proper management.
- 10.6. One year after receiving the authorization specified in section 10.3, if Defendants have not yet commenced the actual processing of the tank contents, Defendants shall immediately resume Tank Closure and complete Tank Closure within the time remaining under sections 7.6 and 7.8 as calculated at the time Defendants received the authorization specified in section 10.3, plus 45 days for rebidding and remobilization.

## 11. NOTICE

- 11.1. Unless otherwise specified in this Stipulation, all submissions and notices required by this Stipulation shall be sent as follows:

For the Department:

Florence Gharibian, Branch Chief  
Southern California Branch  
Statewide Compliance Division  
Department of Toxic Substances Control  
1011 N. Grandview Ave  
Glendale, CA 91201

Nancy Long, Esq.  
Department of Toxic Substances Control  
Office of Legal Counsel  
1001 I Street  
P.O. Box 806  
Sacramento, CA 95812-0806

For Defendants:

Environmental Manager  
CENCO Refining Company  
12345 Lakeland Road  
Santa Fe Springs, CA 90670

Louis Isakoff, Esq.  
CENCO Refining Company  
977 Centerville Turnpike  
SHB202  
Virginia Beach, VA 23463

Margaret Rosegay, Esq.  
PillsburyWinthrop LLP  
50 Fremont Street  
San Francisco, CA 94120-7880

Vincent J. Papa, Esq.  
Energy Merchant Corporation  
126 East 56th Street, 33rd Floor  
New York, NY 10022

Carla Feldman, Esq.  
Loeb & Loeb LP  
10100 Santa Monica Blvd., Suite 2200  
Los Angeles, CA 90067-4164

11.2. All approvals and decisions of the Department regarding any matter requiring approval or decision under the terms of this Stipulation shall be communicated to Defendants in writing by Florence Gharibian, Branch Chief, the Department Southern California Branch, Statewide Compliance Division or her designee. No advice, guidance, suggestions or comments by employees or officials of the Department regarding submittals or notices shall be construed to relieve Defendants of their obligations under this Stipulation, except as specified herein.

## 12. SCOPE OF THIS STIPULATION AND JUDGMENT

12.1. This Stipulation settles the following portions of the Complaint only. The parties agree that all allegations of the Complaint not specifically identified in this section 12.1 are and shall be dismissed without prejudice. Except as specified in section 12.1.5, the parties further agree that this Stipulation also settles any and all additional violations the Department could have alleged for



1 failure to comply with regulations applicable to storage of hazardous waste in  
2 the tanks specifically identified in this section 12.1.

3 12.1.1. This Stipulation settles the First Cause of Action, against Powerine,  
4 with respect to tanks 10006, 27105, 1002, 2030, 3012, and 3072 only.

5 12.1.2. This Stipulation settles the Second Cause of Action, against CENCO,  
6 with respect to tanks 10006, 27105, 5516, 96109, 96110, 1002, 2030,  
7 3012, and 3072 only.

8 12.1.3. Plaintiff agrees to dismiss the Third Cause of Action with prejudice.

9 12.1.4. Upon entry by the Court of the Judgment Pursuant to Stipulation, the  
10 Department shall file the Notices of Dismissal attached to this  
11 Stipulation as Attachment E.

12 12.1.5. This Stipulation does not settle any violation of the HWCL or other  
13 law related to releases, if any, of hazardous waste or constituents.

14 12.1.6. Except as provided by this Stipulation and the Judgment Pursuant to  
15 Stipulation, Defendants and their respective corporate parents  
16 (including Energy Merchant Corporation and CENCO, Inc.), affiliates  
17 (including the Robertson Charitable Remainder Unitrust), shareholders,  
18 principals, officers, directors, trustees, employees, agents and  
19 representatives are hereby and forever released from any and all  
20 liability under the HWCL for all violations settled by this Stipulation,  
21 as identified in section 12.1.

22 12.2. Excluding those items specifically identified in section 12.1 above, the  
23 Department reserves all rights against all parties for any and all violations of the  
24 HWCL at the Lakeland Road Refinery.

25 12.2.1. Subject to all other available defenses, including without limitation the  
26 statute of limitations, Defendants agree not to argue in any court or  
27 administrative proceeding that this action, this settlement, this  
28 Stipulation or the subsequent judgment bars the Department in any way

from bringing any action for penalties or compliance with respect to any past, present, or future violation of the HWCL not identified in section 12.1 of this Stipulation.

12.2.2. The Department agrees not to file an action under the HWCL with respect to any other tank at the Lakeland Road Refinery unless each of the following occurs: (i) it appears CENCO abandoned its efforts to resume crude oil refining operations at the Lakeland Road Refinery; (ii) the Department has a good faith belief that the further complaint is warranted under law; and (iii) six months have passed since the Effective Date. Nothing in this provision or this Stipulation precludes the Department from commencing any action or taking any other action to prevent an imminent environmental or health hazard.

12.3. This Stipulation and Judgment shall apply to and be binding upon the Department and Defendants and their non-individual agents, successors and assigns, including executors and/or trustees of Defendants. In the event CENCO sells the parcel of the Lakeland Road Refinery that includes any of the tanks that are subject to this agreement, it shall be a requirement of the sale that the purchaser will assume and comply with all unfulfilled requirements of this Stipulation pertaining to Tank Closure.

12.4. Nothing in this Stipulation shall constitute or be construed as a satisfaction or release from liability for any violations of law outside the HWCL. Except with respect to the allegations that are explicitly settled by this Stipulation, nothing in this Stipulation is intended nor shall it be construed to preclude any government agency, department, board or entity from exercising its authority under any law, statute or regulation.

12.5. Except as expressly provided herein, nothing in this Stipulation shall constitute or be construed as a satisfaction or release from liability for any conditions or claims arising as a result of past, current or future activities of Defendants. In

particular this Stipulation preserves all rights the Department or other agencies may have to compel Defendants to perform and/or pay the costs of any environmental response actions at the Lakeland Road Refinery.

12.6. There are no Third Party Beneficiaries to this Agreement.

**13. ENFORCEMENT OF THIS STIPULATION AND JUDGMENT**

13.1. Defendants shall notify the Department in the event of any significant noncompliance with the terms of this Stipulation.

13.2. In the event that Defendants fail to make a timely payment required by section 5 of this Stipulation, Defendants shall be assessed interest on the late payment at a rate of ten percent per annum.

13.3. In the event that Defendants fail to comply with the provisions of this Stipulation pertaining to Tank Closure, the Department may pursue its remedies pursuant to sections 8 and 9.

13.4. The Department's failure to seek enforcement of any provision of this Stipulation shall not be deemed a waiver of any rights by the Department, or in any way affect the validity of this Stipulation or the Judgment as to Defendants in this matter.

13.5. Nothing in this Stipulation or the Judgment Pursuant to Stipulation waives any right the Department has under law to enforce the provisions of this Stipulation and the Judgment Pursuant to Stipulation.

**14. DEPARTMENT NOT LIABLE**

14.1. The Department shall not be liable for any injury or damage to persons or property resulting from acts or omissions by Defendants, their employees, agents, representatives in carrying out obligations pursuant to this Stipulation, nor shall the Department be held as a party to or guarantor of any contract entered into by Defendants, their employees, agents, or representatives in carrying out obligations required pursuant to this Stipulation.

14.2. Defendants release the Department and the Office of the Attorney General, and

their employees, representatives and agents from any and all liability, in their official or personal capacity, arising from or relating to this litigation or any inspection, enforcement or permitting activity, or other regulatory action occurring up to the date of the execution of this Stipulation. Defendants further covenant not to sue or assert any claims or causes of action against the Department or the Office of the Attorney General, or their employees, representatives or agents in their official or personal capacities arising from or relating to this litigation or any inspection, enforcement or permitting activity, or other regulatory action occurring up to the date of the execution of this Stipulation.

**15. AUTHORITY TO ENTER STIPULATION**

Each signatory to this Stipulation certifies that he or she is fully authorized by the party he or she represents to enter into this Stipulation, to execute it on behalf of the party represented and legally to bind that party.

**16. RETENTION OF JURISDICTION**

The Court shall retain jurisdiction of this matter until all of the requirements of this Stipulation and Judgment have been fully satisfied.

**17. COMPLIANCE WITH APPLICABLE LAWS**

Defendants shall carry out their obligations in this Stipulation in compliance with all local, state and federal requirements, including but not limited to requirements to obtain permits and to assure worker safety.

**18. REQUIREMENTS OF THE DEPARTMENT**

The duties imposed on Defendants by this Stipulation shall be construed to be requirements of the Department issued pursuant to the HWCL.

**19. INTEGRATION**

This Stipulation constitutes the entire agreement between the Department and Defendants regarding the matters specifically covered herein. This Stipulation may not be amended or supplemented except as provided for herein. The parties hereto acknowledge that

1 there are no representations, agreements or understandings relating to this Stipulation other  
2 than those expressly contained herein.

3 **20. EQUAL AUTHORSHIP**

4 This Stipulation and all of its provisions shall be deemed to have been drafted equally  
5 by all parties hereto.

6 **21. REQUESTS FOR EXTENSIONS OF TIME**

7 With adequate notice, Defendants may apply to the Department, in writing, for an  
8 extension of any of the time periods specified in this Stipulation. The Department shall grant  
9 Defendants' request if just cause is shown and if the extension will not pose a significant threat  
10 to public health or the environment. If the Department does not timely approve an extension,  
11 Defendants may apply to the Court for the extension.

12 **22. AMENDMENTS TO STIPULATION**

13 Except as to extensions of time pursuant to section 21, this Stipulation may only be  
14 amended pursuant to a written agreement signed by all parties to the Stipulation followed by  
15 written approval of this Court.

16 **23. COUNTERPART ORIGINALS**

17 This Stipulation may be executed in several counterpart originals, all of which taken  
18 together shall constitute an integrated document.

19 **24. EFFECTIVE DATE**

20 The Effective Date of this Stipulation is the date the judgment pursuant to this  
21 Stipulation is entered by the Court.

22 **25. ENTRY OF JUDGMENT PURSUANT TO STIPULATION**

23 The parties further stipulate that upon approval of this Stipulation by the Court, the

24 ///

25 ///

26 ///

27 ///

28 ///

1 Court shall enter the Judgment in this matter in the form set forth in Attachment A hereto.

2 IT IS SO STIPULATED:

3  
4  
5 Dated: \_\_\_\_\_, 2002


By: \_\_\_\_\_

6 WATSON GIN  
7 Deputy Director  
8 Hazardous Waste Management Program  
9 California Department of Toxic Substances Control

10 for Plaintiff, PEOPLE OF THE STATE OF CALIFORNIA,  
11 ex rel Edwin F. Lowry, Director, California Department of  
12 Toxic Substances Control

13 Dated: April 17, 2002

By: \_\_\_\_\_

14   
15 LOWELL MORSE  
16 President  
17 CENCO Refining Company

18 for Defendant, CENCO Refining Company

19 Dated: \_\_\_\_\_, 2002

By: \_\_\_\_\_

20 VINCENT PAPA  
21 Secretary  
22 Powerine Oil Company

23 for Defendant, Powerine Oil Company  
24  
25  
26  
27  
28

1 Court shall enter the Judgment in this matter in the form set forth in Attachment A hereto.

2 IT IS SO STIPULATED:

3  
4  
5 Dated: \_\_\_\_\_, 2002

By: \_\_\_\_\_

6 WATSON GIN  
7 Deputy Director  
8 Hazardous Waste Management Program  
9 California Department of Toxic Substances Control

10 for Plaintiff, PEOPLE OF THE STATE OF CALIFORNIA,  
11 ex rel Edwin F. Lowry, Director, California Department of  
12 Toxic Substances Control

13 Dated: \_\_\_\_\_, 2002

By: \_\_\_\_\_

14 LOWELL MORSE  
15 President  
16 CENCO Refining Company

17 for Defendant, CENCO Refining Company

18 Dated: April 11, 2002

By: \_\_\_\_\_

19 VINCENT PAPA  
20 Secretary  
21 Powerine Oil Company

22 for Defendant, Powerine Oil Company  
23  
24  
25  
26  
27  
28

1 APPROVED AS TO FORM:  
2  
3

BILL LOCKYER, Attorney General  
of the State of California

RICHARD M. FRANK, Chief Assistant Attorney General

THEODORA BERGER, Assistant Attorney General

DONALD ROBINSON, Supervising Deputy Attorney  
General

7  
8 Dated: \_\_\_\_\_, 2002

By: \_\_\_\_\_

JAMES R. POTTER

Attorneys for Plaintiffs, PEOPLE OF THE STATE OF  
CALIFORNIA, ex rel Edwin F. Lowry, Director, California  
Department of Toxic Substances Control

PillsburyWinthrop LLP

11  
12  
13 Dated: April 23, 2002

By: Margaret Rosegay

MARGARET ROSEGAY

Attorneys for CENCO Refining Company and Powerine Oil  
Company



1 Court shall enter the Judgment in this matter in the form set forth in Attachment A hereto.

2 IT IS SO STIPULATED:

3  
4  
5 Dated: 4/17, 2002

6 By: Watson G.

7 WATSON GIN  
8 Deputy Director  
9 Hazardous Waste Management Program  
10 California Department of Toxic Substances Control

11 for Plaintiff, PEOPLE OF THE STATE OF CALIFORNIA,  
12 ex rel Edwin F. Lowry, Director, California Department of  
13 Toxic Substances Control

14 Dated: \_\_\_\_\_, 2002

15 By: \_\_\_\_\_

16 LOWELL MORSE  
17 President  
18 CENCO Refining Company

19 for Defendant, CENCO Refining Company

20 Dated: \_\_\_\_\_, 2002

21 By: \_\_\_\_\_

22 VINCENT PAPA  
23 Secretary  
24 Powerine Oil Company

25 for Defendant, Powerine Oil Company  
26  
27  
28

1 APPROVED AS TO FORM:  
2  
3

BILL LOCKYER, Attorney General  
of the State of California  
RICHARD M. FRANK, Chief Assistant Attorney General  
THEODORA BERGER, Assistant Attorney General  
DONALD ROBINSON, Supervising Deputy Attorney  
General

4  
5  
6  
7 Dated: April 10, 2002

By: 

JAMES R. POTTER  
Attorneys for Plaintiffs, PEOPLE OF THE STATE OF  
CALIFORNIA, ex rel Edwin F. Lowry, Director, California  
Department of Toxic Substances Control

10  
11 Pillsbury Winthrop LLP

12  
13 Dated: \_\_\_\_\_, 2002

By: \_\_\_\_\_

MARGARET ROSEGAY  
Attorneys for CENCO Refining Company and Powerine Oil  
Company

1 **DECLARATION OF SERVICE**

2 Case Name: People of the State of California, et al. v. Cenco Refining Company, et al.

3 Case No: LASC Case No. BC 230158

4 I declare:

5 I am employed in the Office of the Attorney General, which is the office of a member of the Bar  
6 of this Court at which member's direction this service is made. I am 18 years of age or older and  
7 not a party to the within entitled cause; I am familiar with the business practice at the Office of  
8 the Attorney General for collection and processing of correspondence for mailing with the United  
9 States Postal Service. In accordance with that practice, correspondence placed in the internal  
10 mail collection system at the Office of the Attorney General is deposited with the United States  
11 Postal Service that same day in the ordinary course of business.

12 On April 26, 2002, I placed the attached:

13 **MOTION FOR ENTRY OF JUDGMENT PURSUANT TO STIPULATION;  
14 STIPULATION FOR SETTLEMENT AND ENTRY OF JUDGMENT;  
15 JUDGMENT PURSUANT TO STIPULATION**

16 in the internal mail collection system at the Office of the Attorney General, 300 S. Spring Street,  
17 Los Angeles, California 90013, for deposit in the United States Postal Service that same day in  
18 the ordinary course of business, in a sealed envelope, postage thereon fully prepaid, addressed as  
19 follows:

20 Colin Lennard, Esq.  
21 Patricia J. Chen, Esq.  
22 Fulbright & Jaworski LLP  
23 865 S. Figueroa, 29<sup>th</sup> Floor  
24 Los Angeles, CA 90017-2571

J. Scott Kuhn, Esq.  
Communities for a Better Environment  
5610 Pacific Blvd., Suite 203  
Huntington Park, CA 90255

25 James E. Curry, Esq.  
26 White O'Connor Curry Gatti & Avanzado  
27 10100 Sta. Monica Blvd., #2300  
28 Los Angeles, CA 90067

David Rosen, Esq.  
Gideon Kracov, Esq.  
Rose, Klein, & Marias LLP  
801 So. Grand Ave., 18<sup>th</sup> Floor  
Los Angeles, CA 90017

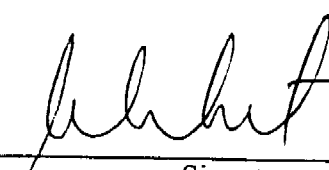
29 Margaret Rosegay, Esq.  
30 Pillsbury Winthrop LLP  
31 50 Fremont Street  
32 P.O. Box 7880  
33 San Francisco, CA 94120-7880

Everett L. DeLano III, Esq.  
Law Offices of Everett L. DeLano III  
220 W. Grand Avenue  
Escondido, CA 92025

34 Carla Feldman, Esq.  
35 Loeb & Loeb LP  
36 10100 Santa Monica Boulevard, Ste. 2200  
37 Los Angeles, CA 90067-4164

38 I declare under penalty of perjury the foregoing is true and correct and that this declaration was  
executed on April 26, 2002, at Los Angeles, California.

39 ERLINDA L. LITERATUS  
Name

  
Signature

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
IN AND FOR THE COUNTY OF LOS ANGELES

PEOPLE OF THE STATE OF CALIFORNIA, ex )	No. BC 230158
rel. Edwin F. Lowry, Director, California )	
Department of Toxic Substances Control and City )	
of Santa Fe Springs, )	JUDGMENT PURSUANT TO
)	STIPULATION
Plaintiffs, )	
v. )	
)	
CENCO REFINING COMPANY, a Delaware )	
Corporation, POWERINE OIL COMPANY, a )	
California Corporation and Does 1-10, )	
)	
Defendants. )	

Plaintiff, People of the State of California, ex rel. Edwin Lowry, Director, Department of Toxic Substances Control ("the Department" or "the Department"), and Defendants CENCO Refining Company ("CENCO") and Powerine Oil Company ("Powerine") (collectively "Defendants") having presented and filed with the Court a written Stipulation for Entry of Final Judgment (the "Stipulation"), and good cause appearing for approval of said Stipulation,

IT IS HEREBY ORDERED that judgment is awarded in favor of Plaintiff and against Defendants on the portions of the first and second causes of action identified in sections 12.1.1 and 12.1.2 of the Stipulation and for civil penalties and enforcement-related costs in the amount of \$1,000,000. A copy of the Stipulation, without attachments, is attached to this

1 judgment and is incorporated by reference.

2 IT IS FURTHER ORDERED that Defendants shall make payment of the civil penalties  
3 and costs as described in sections 5 and 6 of the Stipulation.

4 IT IS FURTHER ORDERED that

5 the Third Cause of Action against Defendants CENCO and Powerine is  
6 dismissed with prejudice;

7 the First Cause of Action against Defendant Powerine is dismissed without  
8 prejudice, except as it applies to tanks 10006, 27105, 1002, 2030, 3012, and  
9 3072 at the Lakeland Road Refinery; and

10 the Second Cause of Action against Defendant CENCO is dismissed without  
11 prejudice, except as it applies to tanks 10006, 27105, 5516, 96109, 96110,  
12 1002, 2030, 3012, and 3072 at the Lakeland Road Refinery.

13 IT IS FURTHER ORDERED THAT

14 1. Subject to Section 10 of the Stipulation, Defendants shall do all of the following. The  
15 work described in this section shall be known as the "Tank Closure."

16 1.1. Defendants shall empty and clean Tanks 10006, 27105, 5516, 96109 and 96110  
17 at the Lakeland Road Refinery. Defendants shall clean the tanks in the order  
18 listed unless Defendants receive permission in writing from the Department to  
19 proceed in a different order. Defendants and their agents shall comply with the  
20 requirements of section 1.7 of this Order.

21 1.2. Defendants shall retain one or more engineering or tank cleaning firms to do the  
22 Tank Closure, which firm(s) shall have appropriate certifications, qualifications,  
23 experience and indemnity and liability insurance. The costs, charges and  
24 expenses of the Tank Cleaning firms and their subcontractors, including any costs  
25 associated with sampling, analysis or performance of pilot tests in conjunction  
26 with the Tank Closure, shall be known as "Third Party Tank Closure Costs."  
27 Third Party Tank Closure Costs are subject to the restriction of the following  
28 paragraph.

- 1.3. Third Party Tank Closure Costs shall not include any money paid, or to be paid, to CENCO or Powerine employees or any other internal costs or expenses incurred by CENCO or Powerine in conjunction with the Tank Closure Project. Nothing herein shall prevent qualified CENCO employees from performing any part of the Tank Closure work.
- 1.4. Unless, pursuant to section 10.3 of the Stipulation, Defendants receive authorization to halt Tank Closure, Defendants shall send out requests for proposals for the Tank Closure Project no later than thirty-one (31) days after the Effective Date of this Stipulation. Defendants shall begin actual field work no later than 91 days after the Effective Date of this Stipulation.
- 1.5. Unless, pursuant to section 10.3 of the Stipulation, Defendants receive authorization to halt Tank Closure, within sixty days of the Effective Date, Defendants shall submit a workplan, including a worker health and safety plan, and schedule describing how they will conduct the work required by this section.
- 1.6. Unless, pursuant to section 10.3 of the Stipulation, Defendants receive authorization to halt Tank Closure, Defendants shall complete the work required by section 1.1 of this Order no later than December 31, 2002.
- 1.7. Defendants and their agents shall complete the Tank Closure, and all work conducted pursuant to this Stipulation, in accordance with the HWCL and all applicable local, state and federal laws.
- 1.7.1. Defendants may discharge water contained in Tanks 10006 and 27105 to the Lakeland Road Refinery's wastewater treatment system provided such discharge is in accordance with the terms of CENCO's industrial discharge permit issued by the Los Angeles County Sanitation District. Defendants may temporarily place all free oil removed from the Tanks 10006 and 27105 in Tank 20014. Upon completion of the Tank Closure, Defendants shall send that oil off-site for recycling or disposal at an

authorized facility. Defendants and the Department shall presume that all solids removed from Tanks 27105 and 10006 are characteristic hazardous wastes. However, if Defendants demonstrate through sampling and analysis, to the satisfaction of the Department, that the solids do not exhibit any characteristic of hazardous waste, and the Department provides Defendants with a written statement to that effect, Defendants and their agents may manage those solids as non-hazardous waste. The sampling and analysis shall be conducted in accordance with California Code of Regulations, title 22, Division 4.5, Chapter 11, Article 3, including the standards of the then-current version of the United States Environmental Protection Agency publication "Test Methods for Evaluating Solid Waste, Physical/Chemical Methods," SW-846. Defendants shall not commingle solids from Tanks 27105 or 10006 with any listed hazardous wastes.

1.7.2. Defendants and their agents shall manage all sludge and solids removed from tanks 96109 and 96110 as RCRA hazardous waste K169.

1.7.3. Defendants and their agents shall manage all materials removed from tank 5516 as RCRA hazardous waste K170.

1.7.4. If Defendants or their agents dismantle any of the tanks identified in sections 1.1 or 1.8 of this Order they shall do so in accordance with the standards and procedures of California Code of Regulations, title 22, section 67383.3, subsections (b) through (f).

1.7.5. Defendants and their agents shall take all appropriate precautions to minimize odors during the removal process.

1.8. Defendants shall also clean Tanks 1002, 2030, 3012, and 3072, and shall complete the work required by this section no later December 31, 2002. Residues from the spent caustic tanks (Tanks 1002 and 2030) may be washed to the refinery's wastewater treatment system. Solids from the recovered oil tanks

(Tanks 3012 and 3072) shall be managed in the same manner as the solids from Tanks 10006 and 27105.

1.9. Beginning in the first month following the Effective Date and continuing until Defendants receive the certification and release specified in section 1.10 of this Order, Defendants shall submit monthly progress reports to the Department describing their progress with the Tank Closure project. The report shall be due on the 15th day of each month and shall describe the activities completed during the prior month.

1.10. Upon notification from Defendants that Tank Closure is complete, the Department will inspect or otherwise evaluate the Tanks. If the Department determines that Defendants have completed the Tank Closure, the Department will send Defendants a written certification and release to that effect. The Department will not unreasonably withhold the written certification and release. Defendants' obligation to complete the tank closure shall terminate upon issuance of the certification and release.

2. Within 10 business days following the Effective Date, CENCO shall deposit no less than \$1,490,000 into an interest-bearing trust account, to be known herein the Lakeland Road Tank Closure Account. The sole and governing purpose of the Lakeland Road Tank Closure Account and the funds contained therein shall be to pay the Third Party Tank Closure Costs described in section 7.2 of the Stipulation and to pay the Department's oversight costs.

2.1. Money in the Lakeland Road Tank Closure Account may be expended only as follows.

2.1.1. Funds in the Lakeland Road Tank Closure Account shall be used to pay only Third Party Tank Closure Costs, as defined in section 1.2 of this Order and Department oversight costs.

2.1.2. If, at any point, it appears that Defendants shall expend more emptying and cleaning an individual tank than the amount specified in



Attachment B of the Stipulation for that tank, Defendants shall so inform the Department in the next monthly progress report required by section 7.9 of the Stipulation.

IT IS FURTHER ORDERED that within 15 days after the Effective Date, Powerine shall assign the Department its judgment lien on the Bloomfield property to cover potential deficiencies in the amount of funding available for Tank Closure.

IT IS FURTHER ORDERED that, except with respect to extensions of time granted by the Department pursuant to section 21 of the Stipulation, the terms of this order may be modified only by order of this Court.

Except with respect to Defendants' obligation to reimburse the Department for \$100,000 of its enforcement-related costs, each party shall bear its own costs leading to the entry of this Judgment.

DATED:

The Honorable Daniel Solis Pratt  
JUDGE OF THE SUPERIOR COURT

Prepared by:

BILL LOCKYER, Attorney General  
of the State of California  
RICHARD FRANK  
Chief Assistant Attorney General  
THEODORA BERGER,  
Senior Assistant Attorney General  
JAMES R. POTTER, State Bar No. 166992  
Deputy Attorneys General  
300 South Spring Street, Suite 500  
Los Angeles, California 90013  
Telephone: (213) 897-2640  
Attorneys for Plaintiff

# Estimated Cost to Remove Oil Bearing Materials and Clean Tanks

10/10/2001

## 27105 10006 Hazardous

Item	Volume, bbl			1	2	3	4	5		6	7	8	Est. no.	Transport	Trucking	Est. no.	Transport	Total
	Water	Oil	Solids	Tank cleaning	Process contents	Solids vol., yd <sup>3</sup>	Est. wt., tons	Oil	Solids	containers	per bin	per trip	trips	cost	per trip	trips	cost	cost
5516	250	0	1,390	\$10,000	\$24,232	193	270	\$0	\$80,933	15	\$3,000			\$45,000			\$160,165	
96106	3,145	375	4,813	\$12,000	\$83,906	667	934	\$3,938	\$93,413		n/a	\$1,200	50	\$60,000			\$253,256	
96105	1,821	284	11,021	\$16,000	\$192,131	1528	2,139	\$2,982	\$213,901		n/a	\$1,200	110	\$132,000			\$557,014	
96109	30,257	2,125	2,060	\$40,000	\$35,912	286	400	\$22,313	\$119,944	24	\$3,000			\$72,000			\$290,169	
96110	13,955	100	500	\$40,000	\$8,717	69	97	\$1,050	\$29,113	6	\$3,000			\$18,000			\$96,879	
																	Total	\$1,357,484

### Item Assumption

- 1 Cleaning costs for 10006 and 27105 from Americlean, Oct 00. Includes \$4,800 to cut/replace roof sheet, \$1,500 for carbon scrubbers, and remainder for hot water wash. Other tank costs approximated by scaling that estimate
- 2 Draw off water and oil, add 20% Petroflo to liquify the solids, pump and centrifuge the mixture at \$12 per barrel, per Americlean 8-01 estimate Includes \$169/day for pump, \$55/hr for vacuum truck, at Americlean's estimated rate of 300 bbl/day.
- 3 Centrifuge reduces solids volume by 1/3
- 4 Density of solids is 1.4 tons per cubic yard
- 5 Solid contents of 5516, 96109, and 96110 go to MFR for fuel blending. 27105 and 10006 solids are characteristically hazardous and directly landfilled at U.S. Ecology, Beatty NV. Cost is \$300 per ton from MFR and \$100 per ton from U.S. Ecology  
Recovered oil is disposed of at DeMenno-Kerdoon at \$.25 per gallon, based on 1999 quote of \$.15/gal  
Water is discharged to wastewater system, then to sewer, at minimal cost
- 6 Truck can haul 18 tons of material in bins
- 7 Transportation cost to MFR is based on four estimates received in 1999 ranging from \$2,200 to \$3,500 per bin
- 8 Trucking cost is what we paid Varia Waste Management to haul to Beatty last year

Attachment B

## TRUST AGREEMENT

Trust Account Number: \_\_\_\_\_

This agreement is entered into as of \_\_\_\_\_ by and between:

GRANTOR	TRUSTEE
Owner/ Operator Name	Trustee Name
Address	Address
<input type="checkbox"/> Corporation <input type="checkbox"/> Association <input type="checkbox"/> Partnership <input type="checkbox"/> Proprietorship in the State of _____	<input type="checkbox"/> A National Bank <input type="checkbox"/> Incorporated in the State of _____

Please indicate if this Trust Agreement is for either closure and/or postclosure or liability or both.

☐ Closure and/or Postclosure☐ Liability

Please indicate if this Trust Agreement is a Trust Agreement, a Standby Trust Agreement or both.

☐ Trust Agreement☐ Standby Trust Agreement☐ Both

### TERMS OF AGREEMENT

WHEREAS, the Department of Toxic Substances Control (DTSC), a department of the State of California, has established certain regulations applicable to the Grantor, requiring that an owner or operator of a hazardous waste management facility shall provide assurance that funds will be available when needed for closure of the facility.

WHEREAS, the Grantor and DTSC have entered into a Stipulation for Entry of Judgment ("Stipulation") which will be filed in People v. CENCO Refining Company, et al., Los Angeles Superior Court No. BC 230158, which Stipulation requires Grantor to establish a closure trust account for purposes of holding funds that will be used exclusively for the payment of Third Party Tank Closure Costs and DTSC oversight costs, as specified in Section 7 and 8 of the Stipulation.

WHEREAS, the purpose of this Trust Agreement is to implement the provisions of Sections 7 and 8 of the Stipulation.

WHEREAS, the Grantor and DTSC intend, in the case of any inconsistency between the terms and conditions of this Trust Agreement and the Stipulation, that the terms and conditions of the Stipulation shall take precedence over the provisions of this Trust Agreement.

WHEREAS, the Grantor, acting through its duly authorized officers, has selected the Trustee to be the Trustee under this agreement, and the Trustee is willing to act as Trustee.

NOW, THEREFORE, the Grantor and the Trustee agree as follows:

**Section 1. Definitions.** As used in this Agreement:

- (a) The term "Grantor" means the owner or operator who enters into this Agreement and any successor or assigns of the Grantor.
- (b) The term "Trustee" means the Trustee who enters into this Agreement and any successor Trustee.
- (c) The term "Beneficiary" means the State of California, Department of Toxic Substances Control.

**Section 2. Identification of Facilities and Cost Estimates.** This Agreement pertains to the Lakeland Road Facility, located at 12345 Lakeland Road, Santa Fe Springs, California, and to the tanks and cost estimates described in Sections 7 and 8 of the Stipulation and identified on attached Schedule A. (On Schedule A for each facility list the hazardous waste facility US EPA identification number, name, address, and the current closure cost estimates or portions thereof, for which financial assurance is demonstrated by this Agreement.)

**Section 3. Establishment of Fund.** The Grantor and the Trustee hereby establish a trust fund, the "Fund" for the benefit of the Beneficiary. The Grantor and the Trustee intend that no third party has access to the Fund except as herein provided. The Fund is established initially as consisting of the property, which is acceptable to the Trustee, described in Schedule B attached hereto. Such property and any other property subsequently transferred to the Trustee is referred to as the Fund, together with all earnings and profits thereon, less any payments or distributions made by the Trustee pursuant to this Agreement. The Fund shall be held by the Trustee, IN TRUST, as hereinafter provided. The Trustee shall not be responsible nor shall it undertake any responsibility for the amount or adequacy of, nor any duty to collect from the Grantor, any payments necessary to discharge any liabilities of the Grantor established by the Beneficiary.

**Section 4. Payment for Closure.** The Trustee shall make payments from the Fund as the Beneficiary shall direct, in writing, to provide for the payment of the costs of closure of the facilities covered by this Agreement. The Trustee shall reimburse the Grantor or other persons as specified by the Beneficiary from the Fund for closure and post closure expenditures in such amounts as the Beneficiary shall direct in writing. In addition, the Trustee shall refund to the Grantor such amounts as the Beneficiary specifies in writing. Upon refund, such funds shall not constitute part of the Fund as defined herein.

**Section 5. Payments Comprising the Fund.** Payments made to the Trustee for the Fund shall consist of cash or securities acceptable to the Trustee.

**Section 6. Trustee Management.** The Trustee shall invest and reinvest the principal and income of the Fund and keep the Fund invested as a single fund, without distinction between principal and income, in accordance with general investment policies and guidelines which the Grantor may communicate in writing to the Trustee from time to time, subject, however, to the provisions of this section. In investing, reinvesting, exchanging, selling, and managing the Fund, the Trustee shall discharge his or her duties with respect to the trust fund solely in the interest of the Beneficiary and with the care, skill, prudence, and diligence under the circumstances then prevailing which persons of prudence, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims; except that:

(i) Securities or other obligations of the Grantor, or any other owner or operator of the facilities/TTUs, or any of their affiliates as defined in the Investment Company Act of 1940, as amended, 15 U.S.C. 80a-2(a), shall not be acquired or held, unless they are securities or other obligations of the Federal or State Government.

(ii) The Trustee is authorized to invest the Fund in time or demand deposits of the Trustee, to the extent insured by an agency of the Federal or State Government, and

(iii) The Trustee is authorized to hold cash awaiting investment or distribution uninvested for a reasonable time and without liability for the payment of interest thereon.

**Section 7. Commingling and Investment.** The Trustee is expressly authorized in its discretion:

(a) To transfer from time to time any or all of the assets of the Fund to any common, commingled or collective trust fund created by the Trustee in which the Fund is eligible to participate, subject to all of the provisions thereof, to be commingled with the assets of other trusts participating therein; and

(b) To purchase shares in any investment company registered under the Investment Company Act of 1940, 15 U.S.C. 80a-1 et seq., including one which may be created, managed, underwritten or to which investment advice is rendered or the shares of which are sold by the Trustee. The Trustee may vote such shares in its discretion.

**Section 8. Express Powers of Trustee.** Without in any way limiting the powers and discretion conferred upon the Trustee by the other provisions of this Agreement or by law, the Trustee is expressly authorized and empowered:

(a) To sell, exchange, convey, transfer or otherwise dispose of any property held by it, by public or private sale. No person dealing with the Trustee shall be bound to see to the application of the purchase money or to inquire into the validity or expediency of any such sale or other disposition;

(b) To make, execute, acknowledge and deliver any and all documents of transfer and conveyance and any and all other instruments that may be necessary or appropriate to carry out the powers herein granted;

(c) To register any securities held in the Fund in its own name or in the name of a nominee and to hold any security in bearer form or in book entry, or to combine certificates representing such securities with certificates of the same issue held by the Trustee in other fiduciary capacities, or to deposit or arrange for the deposit of such securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee of such depository with other securities deposited therein by another person, or to deposit or arrange for the deposit of any securities issued by the United States Government, or any agency or instrumentality thereof, with a Federal Reserve bank, but the books and records of the Trustee shall at all times show that all such securities are part of the Fund;

(d) To deposit any cash in the Fund in interest-bearing accounts maintained or savings certificates issued by the Trustee, in its separate corporate capacity, or in any other banking institution affiliated with the Trustee, to the extent insured by an agency of the Federal or State Government; and

(e) To compromise or otherwise adjust all claims in favor of or against the Fund.

**Section 9. Taxes and Expenses.** All taxes of any kind that may be assessed or levied against or in respect of the Fund and all brokerage commissions incurred by the Fund shall be paid from the Fund. All other expenses incurred by the Trustee in connection with the administration of this Trust, including fees for legal services rendered to the Trustee, the compensation of the Trustee to the extent not paid directly by the Grantor, and all other proper charges and disbursements of the Trustee shall be paid from the Fund.

**Section 10. Annual Valuation.** The Trustee shall annually, at least 30 days prior to the anniversary date of establishment of the Fund, furnish to the Grantor and to the Beneficiary a statement confirming the value of the Trust. Any securities in the Fund shall be valued at market value as of no more than 60 days prior to the anniversary date of establishment of the Fund. The failure of the Grantor to object in writing to the Trustee within 90 days after the statement has been furnished to the Grantor and Beneficiary shall constitute a conclusively binding assent by the Grantor, barring the Grantor from asserting any claim or liability against the Trustee with respect to matters disclosed in the statement.

**Section 11. Advice of Counsel.** The Trustee may from time to time consult with counsel, who may be counsel to the Grantor, with respect to any question arising as to the construction of this

Agreement or any action to be taken hereunder. The Trustee shall be fully protected, to the extent permitted by law, in acting upon the advice of counsel.

**Section 12. Trustee Compensation.** The Trustee shall be entitled to reasonable compensation for its services as agreed upon in writing from time to time with the Grantor.

**Section 13. Successor Trustee.** The Trustee may resign or the Grantor may replace the Trustee, but such resignation or replacement shall not be effective until the Grantor has appointed a successor trustee and this successor accepts the appointment. The successor trustee shall have the same powers and duties as those conferred upon the Trustee hereunder. Upon the successor trustee's acceptance of the appointment, the Trustee shall assign, transfer and pay over to the successor trustee the funds and properties then constituting the Fund. If, for any reason, the Grantor cannot or does not act in the event of the resignation of the Trustee, the Trustee may apply to a court of competent jurisdiction for the appointment of a successor trustee or for instructions. The successor trustee shall specify the date on which it assumes administration of the trust in a writing sent to the Grantor, Beneficiary, and the present Trustee by certified mail ten days before such change becomes effective. Any expenses incurred by the Trustee as a result of any of the acts contemplated by this Section shall be paid as provided in Section 9.

**Section 14. Instructions to the Trustee.** All orders, requests and instructions by the Grantor to the Trustee shall be in writing, signed by such persons as are designated in the attached Exhibit A or such other designees as the Grantor may designate by amendment to Exhibit A. The Trustee shall be fully protected in acting without inquiry in accordance with the Grantor's orders, requests and instructions. All orders, requests and instructions by the Beneficiary to the Trustee shall be in writing, signed by the Beneficiary designees, and the Trustee shall act and shall be fully protected in acting in accordance with such orders, requests and instructions. The Trustee shall have the right to assume, in the absence of written notice to the contrary, that no event constituting a change or a termination of the authority of any person to act on behalf of the Grantor or the Beneficiary hereunder has occurred. The Trustee shall have no duty to act in the absence of such orders, requests and instructions from the Grantor and/or Beneficiary, except as provided for herein.

**Section 15. Amendment of Agreement.** This agreement may be amended by an instrument in writing executed by the Grantor, the Trustee and the Beneficiary, or by the Trustee and the Beneficiary, if the Grantor ceases to exist.

**Section 16. Irrevocability and Termination.** Subject to the right of the parties to amend this Agreement as provided in Section 15, this Trust shall be irrevocable and shall continue until terminated at the written agreement of the Grantor, the Trustee, and the Beneficiary, or by the Trustee and the Beneficiary, if the Grantor ceases to exist. Upon termination of the Trust, all remaining trust property, less final trust administration expenses, shall be delivered to the Grantor.

**Section 17. Immunity and Indemnification.** The Trustee shall not incur personal liability of any nature in connection with any act or omission, made in good faith, in the administration of this Trust, or in carrying out any directions by the Grantor or the Beneficiary issued in accordance with this Agreement. The Trustee shall be indemnified and saved harmless by the Grantor or from the Trust Fund, or both, from and against any personal liability to which the Trustee may be subjected by reason of any act or conduct in its official capacity, including all expenses reasonably incurred in its defense in the event the Grantor fails to provide such defense.

**Section 18. Choice of Law.** This Agreement shall be administered, construed and enforced according to the laws of the State of California.

**Section 19. Interpretation.** As used in this Agreement, words in the singular include the plural

and words in the plural include the singular. The descriptive headings for each Section of this Agreement shall not affect the interpretation or the legal efficacy of this Agreement.

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by their respective officers duly authorized and their corporate seals to be hereunto affixed and attested as of the date first above written; the parties below certify that this document is being executed in accordance with the requirements of California Code of Regulations, Title 22, Division 4.5, Chapter 14 and 15. Article 8, Sections 66264.140 through 66264.148 and Sections 66265.140 through 66265.148.

Signature of Grantor	Title
Typed or Printed Name of Person Signing _____	Seal
Attest: Title	
Signature of Trustee	Title
Typed or Printed Name of Person Signing _____	Seal
Attest: Title	

#### PRIVACY STATEMENT

This information is requested by the Department of Toxic Substances Control, under Health and Safety Code, Section 25245, in order to verify adequate financial assurance of hazardous waste facilities/TTUs. Completion of the form is mandatory. The consequence of not completing the form is denial of a permit to operate a hazardous waste facility/TTU. Information may be provided to U. S. Environmental Protection Agency, State Attorney General, Air Resources Board, California Integrated Waste Management Board, Energy Resources Conservation and Development Commission, Water Resources Control Board and California Regional Water Quality Control Boards. For more information or access to your records, contact the Department of Toxic Substances Control, 8800 Cal Center Drive, Sacramento, California, 95826, (916) 255-3545.



EXHIBIT A

TRUST AGREEMENT BY AND BETWEEN \_\_\_\_\_

AND THE \_\_\_\_\_

As provided for in Section 14 of the Trust Agreement, the persons, other than the officials of the Beneficiary identified in Section 14 of the Trust Agreement, who, until this Exhibit A is amended, shall have the authority to make orders, requests, and instructions to the Trustee are:

Officials of the Grantor.

Officials of the Grantor who have authority to give instructions are:

Name(s): \_\_\_\_\_

Title(s): \_\_\_\_\_

EXHIBIT A

Any orders, requests or instructions by the Grantor to the Trustee, pursuant to the foregoing Agreement, may be signed by any one of the following persons:

Name(s): \_\_\_\_\_

Title(s): \_\_\_\_\_

**TRUST AGREEMENT/STANDBY TRUST  
SCHEDULE A**

This Agreement demonstrates financial assurance for the following cost estimate(s) for the following facility(ies):

Hazardous Waste Facility Identification Number	Name of Facility	Address of Hazardous Waste Facility	Cost Estimates for which Financial Assurance Being Demonstrated by this Agreement
CAD008383291	Lakeland Road Refinery Tanks 10006, 27105, 5516, 96109, 96110, 1002, 2030, 3012, and 3072	12345 Lakeland Road, Santa Fe Springs, California	Closure :  Total :

The cost estimates listed here were last adjusted on (date): \_\_\_\_\_.

**TRUST AGREEMENT (ONLY)**  
**SCHEDULE B**

The fund is established initially as consisting of the following:

\$ \_\_\_\_\_ as evidenced by  
Amount Spell Out Dollar Amount  
\_\_\_\_\_  
Name of Institution Drawn On Check Number \_\_\_\_\_  
dated \_\_\_\_\_

I hereby certify that funds have been received and deposited.

Authorized Signature	Title
Typed or Printed Name of Person Signing	Address



*First American Title Company*

*Los Angeles*

520 N. Central Avenue  
Glendale, California 91203 (818) 242-5800

JULY 05, 2001

MANATT PHELPS & PHILLIPS  
11355 WEST OLYMPIC BOULEVARD  
LOS ANGELES, CA 90064

ATTENTION: MARIA DENNIS, ESQ.

YOUR NO.  
OUR ORDER NO. 2122126-21  
FORM OF POLICY COVERAGE: ALTA OWNERS

IN RESPONSE TO THE ABOVE REFERENCED APPLICATION FOR A POLICY OF TITLE INSURANCE, THIS COMPANY HEREBY REPORTS THAT IT IS PREPARED TO ISSUE, OR CAUSE TO BE ISSUED, AS OF THE DATE HEREOF, A POLICY OR POLICIES OF TITLE INSURANCE IN THE FORM SPECIFIED ABOVE, DESCRIBING THE LAND AND THE ESTATE OR INTEREST THEREIN HEREINAFTER SET FORTH, INSURING AGAINST LOSS WHICH MAY BE SUSTAINED BY REASON OF ANY DEFECT, LIEN OR ENCUMBRANCE NOT SHOWN OR REFERRED TO AS AN EXCEPTION BELOW OR NOT EXCLUDED FROM COVERAGE PURSUANT TO THE PRINTED SCHEDULES, CONDITIONS AND STIPULATIONS OF SAID POLICY FORM.

THE PRINTED EXCEPTIONS AND EXCLUSIONS FROM THE COVERAGE OF SAID POLICY OR POLICIES ARE SET FORTH IN EXHIBIT A ATTACHED. COPIES OF THE POLICY FORMS SHOULD BE READ. THEY ARE AVAILABLE FROM THE OFFICE WHICH ISSUED THIS REPORT.

PLEASE READ THE EXCEPTIONS SHOWN OR REFERRED TO BELOW AND THE EXCEPTIONS AND EXCLUSIONS SET FORTH IN EXHIBIT A. OF THIS REPORT CAREFULLY. THE EXCEPTIONS AND EXCLUSIONS ARE MEANT TO PROVIDE YOU WITH NOTICE OF MATTERS WHICH ARE NOT COVERED UNDER THE TERMS OF THE TITLE INSURANCE POLICY AND SHOULD BE CAREFULLY CONSIDERED.

IT IS IMPORTANT TO NOTE THAT THIS PRELIMINARY REPORT IS NOT A WRITTEN REPRESENTATION AS TO THE CONDITION OF TITLE AND MAY NOT LIST ALL LIENS, DEFECTS, AND ENCUMBRANCES AFFECTING TITLE TO THE LAND.

THIS REPORT (AND ANY SUPPLEMENTS OR AMENDMENTS HERETO) IS ISSUED SOLELY FOR THE PURPOSE OF FACILITATING THE ISSUANCE OF A POLICY OF TITLE INSURANCE AND NO LIABILITY IS ASSUMED HEREBY. IF IT IS DESIRED THAT LIABILITY BE ASSUMED PRIOR TO THE ISSUANCE OF A POLICY OF TITLE INSURANCE, A BINDER OR COMMITMENT SHOULD BE REQUESTED.

DATED AS OF JUNE 20, 2001 AT 7:30 A.M.

JEANIE QUINTAL, TITLE OFFICER  
EXTENSION 5021

DIRECT FAX (818) 242-0235

*Attachment D*



TITLE TO SAID ESTATE OR INTEREST AT THE DATE HEREOF IS VESTED IN:

CENCO REFINING CO., A DELAWARE CORPORATION.

THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED OR REFERRED TO COVERED BY THIS REPORT IS:

A FEE.

THE LAND REFERRED TO HEREIN IS DESCRIBED AS FOLLOWS:

(SEE ATTACHED LEGAL DESCRIPTION)

AT THE DATE HEREOF EXCEPTIONS TO COVERAGE IN ADDITION TO THE PRINTED EXCEPTIONS AND EXCLUSIONS CONTAINED IN SAID POLICY FORM WOULD BE AS FOLLOWS:

1. GENERAL AND SPECIAL TAXES, A LIEN NOT YET PAYABLE, FOR THE FISCAL YEAR 2001-2002.

1A. AFFECTS PARCEL A:

GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR: 2000-2001.

TOTAL: \$44,054.84.

FIRST INSTALLMENT: \$22,342.44 PLUS PENALTY OF \$2,234.24.

SECOND INSTALLMENT: \$21,712.40 PLUS PENALTY AND COST OF \$2,181.24.

EXEMPTIONS,

(VETERANS OR HOMEOWNERS): \$NONE.

CODE NO.: 5332.

PARCEL NO.: 8009-022-029.

SAID AMOUNT TO PAY IS INCLUDED IN DELINQUENT TAX AMOUNTS SHOWN HEREIN BELOW.

SAID PROPERTY HAS BEEN DECLARED TAX DEFAULTED FOR NON PAYMENT OF DELINQUENT TAXES FOR THE

FISCAL YEAR: 1995-1996 REGULAR; 1996-1997 REGULAR; 1997-1998 REGULAR;  
1998-1999 SUPP; 1999-2000 REGULAR; 2000-2001 REGULAR.

AND SUBSEQUENT DELINQUENCIES.

AMOUNT TO REDEEM: \$247,582.66.

PRIOR TO: JULY 31, 2001.

PARCEL NO: 8009-022-029.

1B. AFFECTS PARCEL B:

GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR: 2000-2001.

TOTAL: \$1,485.12.

FIRST INSTALLMENT: \$742.56 PLUS PENALTY OF \$74.26.



SECOND INSTALLMENT: \$742.56 PLUS PENALTY AND COST OF \$84.26.  
EXEMPTIONS,  
(VETERANS OR HOMEOWNERS): \$NONE.  
CODE NO.: 5332.  
PARCEL NO.: 8009-022-017.

SAID AMOUNT TO PAY IS INCLUDED IN DELINQUENT TAX AMOUNTS SHOWN HEREIN BELOW.

SAID PROPERTY HAS BEEN DECLARED TAX DEFAULTED FOR NON PAYMENT OF DELINQUENT TAXES FOR THE

FISCAL YEAR: 1995-1996 REGULAR; 1996-1997 REGULAR; 1997-1998 REGULAR;  
1999-2000 REGULAR; 2000-2001 REGULAR.

AND SUBSEQUENT DELINQUENCIES.

AMOUNT TO REDEEM: \$8,254.15.  
PRIOR TO: JULY 31, 2001.  
PARCEL NO: 8009-022-017.

1C. AFFECTS A PORTION OF PARCEL C:

GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY.

FISCAL YEAR: 2000-2001.  
TOTAL: \$3,144.83.  
FIRST INSTALLMENT: \$1,572.42 PLUS PENALTY OF \$157.24.  
SECOND INSTALLMENT: \$1,572.41 PLUS PENALTY AND COST OF \$167.24.  
EXEMPTIONS,  
(VETERANS OR HOMEOWNERS): \$NONE.  
CODE NO.: 5332.  
PARCEL NO.: 8009-022-030.

SAID AMOUNT TO PAY IS INCLUDED IN DELINQUENT TAX AMOUNTS SHOWN HEREIN BELOW.

SAID PROPERTY HAS BEEN DECLARED TAX DEFAULTED FOR NON PAYMENT OF DELINQUENT TAXES FOR THE

FISCAL YEAR: 1995-1996 REGULAR; 1996-1997 REGULAR; 1997-1998 REGULAR;  
1999-2000 REGULAR; 2000-2001 REGULAR.

AND SUBSEQUENT DELINQUENCIES.

AMOUNT TO REDEEM: \$17,790.34.  
PRIOR TO: JULY 31, 2001.  
PARCEL NO: 8009-022-030.

1D. AFFECTS REMAINING PORTION OF PARCEL C:

GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR: 2000-2001.  
TOTAL: \$3,985.85.  
FIRST INSTALLMENT: \$1,992.93 PLUS PENALTY OF \$199.29.  
SECOND INSTALLMENT: \$1,992.92 PLUS PENALTY AND COST OF \$209.29.  
EXEMPTIONS,  
(VETERANS OR HOMEOWNERS): \$NONE.  
CODE NO.: 5332.  
PARCEL NO.: 8009-022-031.

SAID AMOUNT TO PAY IS INCLUDED IN DELINQUENT TAX AMOUNTS SHOWN HEREIN BELOW.



SAID PROPERTY HAS BEEN DECLARED TAX DEFAULTED FOR NON PAYMENT OF DELINQUENT TAXES FOR THE

FISCAL YEAR: 1995-1996 REGULAR; 1996-1997 REGULAR; 1997-1998 REGULAR;  
1999-2000 REGULAR; 2000-2001 REGULAR.

AND SUBSEQUENT DELINQUENCIES.

AMOUNT TO REDEEM: \$22,401.04.

PRIOR TO: JULY 31, 2001.

PARCEL NO: 8009-022-031.

1E. AFFECTS A PORTION OF PARCEL D:

GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR: 2000-2001.

TOTAL: \$189,281.45.

FIRST INSTALLMENT: \$97,475.90 PLUS PENALTY OF \$9,747.59.

SECOND INSTALLMENT: \$91,805.55 PLUS PENALTY AND COST OF \$9,190.56.

EXEMPTIONS,

(VETERANS OR HOMEOWNERS): SNONE.

CODE NO.: 5342.

PARCEL NO.: 8009-022-055.

SAID AMOUNT TO PAY IS INCLUDED IN DELINQUENT TAX AMOUNTS SHOWN HEREIN BELOW.

SAID PROPERTY HAS BEEN DECLARED TAX DEFAULTED FOR NON PAYMENT OF DELINQUENT TAXES FOR THE

FISCAL YEAR: 1995-1996 REGULAR; 1995-1996 ESCAPE; 1996-1997 REGULAR;  
1997-1998 REGULAR; 1998-1999 SUPP; 1999-2000 REGULAR; 2000-  
2001 REGULAR.

AND SUBSEQUENT DELINQUENCIES.

AMOUNT TO REDEEM: \$1,252,148.61.

PRIOR TO: JULY 31, 2001.

PARCEL NO: 8009-022-055.

1F. AFFECTS REMAINING PORTION OF PARCEL D:

GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR: 2000-2001.

TOTAL: \$26,450.78.

FIRST INSTALLMENT: \$13,225.40 PLUS PENALTY OF \$1,322.54.

SECOND INSTALLMENT: \$13,225.38 PLUS PENALTY AND COST OF \$1,332.54.

EXEMPTIONS,

(VETERANS OR HOMEOWNERS): SNONE.

CODE NO.: 5332.

PARCEL NO.: 8009-022-056.

SAID AMOUNT TO PAY IS INCLUDED IN DELINQUENT TAX AMOUNTS SHOWN HEREIN BELOW.

SAID PROPERTY HAS BEEN DECLARED TAX DEFAULTED FOR NON PAYMENT OF DELINQUENT TAXES FOR THE

FISCAL YEAR: 1995-1996 REGULAR; 1996-1997 REGULAR; 1997-1998 REGULAR;  
1998-1999 SUPP; 1999-2000 REGULAR; 2000-2001 REGULAR.

AND SUBSEQUENT DELINQUENCIES.



AMOUNT TO REDEEM: \$142,321.15.  
PRIOR TO: JULY 31, 2001.  
PARCEL NO: 8009-022-056.

1G. AFFECTS A PORTION OF PARCEL E:

GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR: 2000-2001.  
TOTAL: \$12,613.35.  
FIRST INSTALLMENT: \$6,306.68 PLUS PENALTY OF \$630.67.  
SECOND INSTALLMENT: \$6,306.67 PLUS PENALTY AND COST OF \$640.67.  
EXEMPTIONS,  
(VETERANS OR HOMEOWNERS): SNONE.  
CODE NO.: 5332.  
PARCEL NO.: 8009-022-057.

SAID AMOUNT TO PAY IS INCLUDED IN DELINQUENT TAX AMOUNTS SHOWN HEREIN BELOW.

SAID PROPERTY HAS BEEN DECLARED TAX DEFAULTED FOR NON PAYMENT OF DELINQUENT TAXES FOR THE

FISCAL YEAR: 1995-1996 REGULAR; 1996-1997 REGULAR; 1997-1998 REGULAR;  
1999-2000 REGULAR; 2000-2001 REGULAR.

AND SUBSEQUENT DELINQUENCIES.

AMOUNT TO REDEEM: \$70,159.38.  
PRIOR TO: JULY 31, 2001.  
PARCEL NO: 8009-022-057.

1H. AFFECTS REMAINING PORTION OF PARCEL E:

GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR: 2000-2001.  
TOTAL: \$6,731.95.  
FIRST INSTALLMENT: \$3,365.98 PLUS PENALTY OF \$336.60.  
SECOND INSTALLMENT: \$3,365.97 PLUS PENALTY AND COST OF \$346.60.  
EXEMPTIONS,  
(VETERANS OR HOMEOWNERS): SNONE.  
CODE NO.: 5342.  
PARCEL NO.: 8009-022-058.

SAID AMOUNT TO PAY IS INCLUDED IN DELINQUENT TAX AMOUNTS SHOWN HEREIN BELOW.

SAID PROPERTY HAS BEEN DECLARED TAX DEFAULTED FOR NON PAYMENT OF DELINQUENT TAXES FOR THE

FISCAL YEAR: 1995-1996 REGULAR; 1996-1997 REGULAR; 1997-1998 REGULAR;  
1999-2000 REGULAR; 2000-2001 REGULAR.

AND SUBSEQUENT DELINQUENCIES.

AMOUNT TO REDEEM: \$37,664.34.  
PRIOR TO: JULY 31, 2001.  
PARCEL NO: 8009-022-058.

1I. AFFECTS PARCEL F:





GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR: 2000-2001.  
TOTAL: \$882.04.  
FIRST INSTALLMENT: \$441.03 PLUS PENALTY OF \$44.10.  
SECOND INSTALLMENT: \$441.01 PLUS PENALTY AND COST OF \$54.10.  
EXEMPTIONS,  
(VETERANS OR HOMEOWNERS): SNONE.  
CODE NO.: 5332.  
PARCEL NO.: 8009-022-054.

SAID AMOUNT TO PAY IS INCLUDED IN DELINQUENT TAX AMOUNTS SHOWN HEREIN BELOW.

SAID PROPERTY HAS BEEN DECLARED TAX DEFAULTED FOR NON PAYMENT OF DELINQUENT TAXES FOR THE

FISCAL YEAR: 1995-1996 REGULAR; 1996-1997 REGULAR; 1997-1998 REGULAR;  
1998-1999 SUPP; 1999-2000 REGULAR; 2000-2001 REGULAR.

AND SUBSEQUENT DELINQUENCIES.

AMOUNT TO REDEEM: \$5,105.98.  
PRIOR TO: JULY 31, 2001.  
PARCEL NO.: 8009-022-054.

1J. AFFECTS PARCEL G:

GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR: 2000-2001.  
TOTAL: \$6,436.32.  
FIRST INSTALLMENT: \$3,218.16 PLUS PENALTY OF \$321.82.  
SECOND INSTALLMENT: \$3,218.16 PLUS PENALTY AND COST OF \$331.82.  
EXEMPTIONS,  
(VETERANS OR HOMEOWNERS): SNONE.  
CODE NO.: 5342.  
PARCEL NO.: 8009-022-053.

SAID AMOUNT TO PAY IS INCLUDED IN DELINQUENT TAX AMOUNTS SHOWN HEREIN BELOW.

SAID PROPERTY HAS BEEN DECLARED TAX DEFAULTED FOR NON PAYMENT OF DELINQUENT TAXES FOR THE

FISCAL YEAR: 1995-1996 REGULAR; 1996-1997 REGULAR; 1997-1998 REGULAR;  
1999-2000 REGULAR; 2000-2001 REGULAR.

AND SUBSEQUENT DELINQUENCIES.

AMOUNT TO REDEEM: \$35,210.52.  
PRIOR TO: JULY 31, 2001.  
PARCEL NO.: 8009-022-053.

1K. AFFECTS A PORTION OF PARCEL H:

GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR: 2000-2001.  
TOTAL: \$29,613.87.  
FIRST INSTALLMENT: \$14,806.94 PLUS PENALTY OF \$1,480.69.  
SECOND INSTALLMENT: \$14,806.93 PLUS PENALTY AND COST OF \$1,490.69.  
EXEMPTIONS,



(VETERANS OR HOMEOWNERS): SNONE.  
CODE NO.: 5358.  
PARCEL NO.: 8011-016-014.

SAID AMOUNT TO PAY IS INCLUDED IN DELINQUENT TAX AMOUNTS SHOWN HEREIN BELOW.

SAID PROPERTY HAS BEEN DECLARED TAX DEFAULTED FOR NON PAYMENT OF DELINQUENT TAXES FOR THE

FISCAL YEAR: 1996-1997 REGULAR; 1997-1998 REGULAR; 1998-1999 SUPP; 1999-2000 REGULAR; 2000-2001 REGULAR.

AND SUBSEQUENT DELINQUENCIES.

AMOUNT TO REDEEM: \$108,532.90.

PRIOR TO: JULY 31, 2001.

PARCEL NO: 8011-016-014.

1L. AFFECTS REMAINING OF PARCEL H:

GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR: 2000-2001.

TOTAL: \$30,181.13.

FIRST INSTALLMENT: \$15,090.57 PLUS PENALTY OF \$1,509.06.

SECOND INSTALLMENT: \$15,090.56 PLUS PENALTY AND COST OF \$1,519.06.

EXEMPTIONS,

(VETERANS OR HOMEOWNERS): SNONE.

CODE NO.: 5332.

PARCEL NO.: 8011-016-015.

SAID AMOUNT TO PAY IS INCLUDED IN DELINQUENT TAX AMOUNTS SHOWN HEREIN BELOW.

SAID PROPERTY HAS BEEN DECLARED TAX DEFAULTED FOR NON PAYMENT OF DELINQUENT TAXES FOR THE

FISCAL YEAR: 1996-1997 REGULAR; 1997-1998 REGULAR; 1998-1999 SUPP; 1999-2000 REGULAR; 2000-2001 REGULAR.

AND SUBSEQUENT DELINQUENCIES.

AMOUNT TO REDEEM: \$109,723.57.

PRIOR TO: JULY 31, 2001.

PARCEL NO: 8011-016-015.

1M. AFFECTS PARCEL I:

GENERAL AND SPECIAL COUNTY AND/OR CITY TAXES, INCLUDING SPECIAL ASSESSMENTS AND/OR PERSONAL PROPERTY TAXES, IF ANY

FISCAL YEAR: 2000-2001.

TOTAL: \$56,248.59.

FIRST INSTALLMENT: \$28,124.30 PLUS PENALTY OF \$2,812.43.

SECOND INSTALLMENT: \$28,124.29 PLUS PENALTY AND COST OF \$2,822.43.

EXEMPTIONS,

(VETERANS OR HOMEOWNERS): SNONE.

CODE NO.: 5332.

PARCEL NO.: 8026-001-042.

SAID AMOUNT TO PAY IS INCLUDED IN DELINQUENT TAX AMOUNTS SHOWN HEREIN BELOW.



SAID PROPERTY HAS BEEN DECLARED TAX DEFAULTED FOR NON PAYMENT OF DELINQUENT TAXES FOR THE

FISCAL YEAR: 1998-1999 SUPP; 1999-2000 REGULAR; 2000-2001 REGULAR.  
AND SUBSEQUENT DELINQUENCIES.

AMOUNT TO REDEEM: \$103,115.12.

PRIOR TO: JULY 31, 2001.

PARCEL NO: 8026-001-042.

- 1N. THE LIEN OF SUPPLEMENTAL TAXES AND/OR ADJUSTED TAXES, IF ANY, ASSESSED PURSUANT TO THE CALIFORNIA REVENUE AND TAXATION CODE.

THE FOLLOWING MATTERS AFFECT PARCELS A, B, C, D, E, F, AND G:

2. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC ROAD AND HIGHWAY PURPOSES.  
AFFECTS: THE EASTERLY 30 FEET OF PARCEL G, E AND F.  
RECORDED: AUGUST 23, 1916 AS INSTRUMENT NO. 74 IN BOOK 6283 PAGE 341 OF DEEDS.
3. AFFECTS PARCEL D.  
AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: A PIPELINE.  
AFFECTS: SAID LINES TO BE LAID AS CLOSE AS PRACTICABLE TO THE EAST LINE OF THE EAST 20 ACRES OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID LINE EXTENDING FROM THE NORTH LINE TO THE SOUTH LINE THEREOF.  
RECORDED: NOVEMBER 3, 1922 AS INSTRUMENT NO. 845 IN BOOK 1430 PAGE 265, OFFICIAL RECORDS.
4. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PIPELINES AND POLE LINES.  
AFFECTS: A STRIP OF LAND 10 FEET WIDE IN PARCEL G, THE CENTERLINE OF WHICH IS DISTANT 5 FEET SOUTHERLY FROM AND PARALLEL WITH THE SOUTHERLY LINE OF LITTLE LAKE ROAD (NOW FLORENCE AVENUE), LOCATED PARTIALLY WITHIN THE R-O-W FOR FLORENCE AVENUE.  
RECORDED: (REGISTERED) JUNE 8, 1923 AS DOCUMENT NO. 39443 BC-19902 OF TORRENS AND RECORDED JULY 17, 1923 AS INSTRUMENT NO. 878 IN BOOK 2337 PAGE 364, OFFICIAL RECORDS.
5. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PIPELINES.  
AFFECTS: A STRIP OF LAND 10 FEET IN WIDTH ALONG THE EASTERLY LINE OF SAID PARCEL C AND LOCATED WITHIN FLORENCE AVENUE.  
RECORDED: JULY 13, 1923 AS INSTRUMENT NO. 1109 IN BOOK 2301 PAGE 227, OFFICIAL RECORDS.
6. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: A PIPELINE.



AFFECTS: A STRIP OF LAND 10 FEET IN WIDTH, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

A LINE SOUTHERLY FROM, PARALLEL WITH AND DISTANT 25 FEET FROM THE NORTHERLY BOUNDARY OF SAID PARCEL D, LOCATED WITHIN THE R-O-W FOR FLORENCE AVENUE.

RECORDED: (REGISTERED) JUNE 26, 1923 AS DOCUMENT NO. 40052 AU-17599 AND (REGISTERED) AUGUST 9, 1923 AS DOCUMENT NO. 42590 AU 17599.

7. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR: PIPELINES.

AFFECTS: A PORTION OF PARCEL G, LOCATED WITHIN THE R-O-W FOR FLORENCE AVENUE.

RECORDED: (REGISTERED) AUGUST 28, 1923 AS DOCUMENT NO. 43271 BC-19902 OF TORRENS AND RECORDED AUGUST 31, 1923 AS INSTRUMENT NO. 1478 IN BOOK 2800 PAGE 57, OFFICIAL RECORDS.

8. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR: PIPELINES.

AFFECTS: THE NORTH 10 FEET OF SAID PARCELS A & B LYING PARALLEL WITH THE SOUTH LINE OF LITTLE LAKE ROAD (NOW FLORENCE AVENUE), LOCATED WITHIN THE R-O-W FOR FLORENCE AVENUE.

RECORDED: AUGUST 31, 1923 AS INSTRUMENT NO. 1556 IN BOOK 2438 PAGE 396, OFFICIAL RECORDS.

9. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR: A PIPELINE.

AFFECTS: A PORTION OF PARCEL G, LOCATED WITHIN THE R-O-W FOR FLORENCE AVENUE

RECORDED: SEPTEMBER 17, 1923 AS INSTRUMENT NO. 1248 IN BOOK 2516 PAGE 280, OFFICIAL RECORDS.

10. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR: A PIPELINE.

AFFECTS: A PORTION OF PARCELS E AND F AS DESCRIBED THEREIN, AND LOCATED PARTLY WITHIN THE R-O-W FOR BLOOMFIELD AVENUE.

RECORDED: OCTOBER 18, 1923 AS INSTRUMENT NO. 1532 IN BOOK 2690 PAGE 273, OFFICIAL RECORDS.

11. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR: A PIPELINE.

AFFECTS: A PORTION OF PARCELS E AND G, AS DESCRIBED THEREIN, AND LOCATED PARTLY WITHIN THE R-O-W FOR FLORENCE AVENUE.

RECORDED: NOVEMBER 15, 1923 AS INSTRUMENT NO. 1773 IN BOOK 2915 PAGE 108, OFFICIAL RECORDS.

12. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR: PIPELINES AND A SINGLE LINE OF POLES FOR TELEPHONE AND TELEGRAPH LINES.



AFFECTS: A STRIP OF LAND 10 FEET WIDE, THE CENTERLINE OF WHICH IS 5 FEET NORTH OF THE NORTH LINE OF COUNTY ROAD ALONG THE SOUTH LINE OF SAID PARCEL E, AND LOCATED PARTLY WITHIN THE R-O-W FOR BLOOMFIELD AVENUE.

RECORDED: MAY 4, 1926 IN BOOK 4595 PAGE 355, OFFICIAL RECORDS.

13. AFFECTS PARCELS A & B.

AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR: A PIPELINE.

AFFECTS: SOUTH OF AND AS CLOSE AS PRACTICABLE TO THE SOUTH LINE OF LITTLE LAKE ROAD, (NOW FLORENCE AVENUE) AFFECTING PARCELS A AND B AND LOCATED WITHIN THE R-Q-W FOR FLORENCE AVENUE.

RECORDED: NOVEMBER 28, 1928 AS INSTRUMENT NO. 1403 IN BOOK 7317 PAGE 275, OFFICIAL RECORDS.

14. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR: A PIPELINE.

AFFECTS: A PORTION OF PARCEL C, AS DESCRIBED THEREIN, AND LOCATED WITHIN FLORENCE AVENUE.

RECORDED: NOVEMBER 28, 1928 AS INSTRUMENT NO. 1404 IN BOOK 7384 PAGE 75, OFFICIAL RECORDS.

15. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR: PUBLIC UTILITIES.

AFFECTS: PORTIONS OF PARCELS E AND F AS DESCRIBED THEREIN.

RECORDED: (REGISTERED) JANUARY 21, 1929 AS DOCUMENT NO. 159968 FM-54032 OF TORRENS.

16. AFFECTS PARCEL A.

AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR: A PIPELINE.

AFFECTS: A STRIP OF LAND 10 FEET IN WIDTH, ON PARCEL A, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

A LINE 5 FEET EASTERLY FROM AND PARALLEL WITH THE WESTERLY LINE OF THE EAST HALF OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 6.

RECORDED: NOVEMBER 13, 1929 AS INSTRUMENT NO. 1241 IN BOOK 9451 PAGE 336, OFFICIAL RECORDS.

17. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT

FOR: A PIPELINE.

AFFECTS: A STRIP OF LAND 10 FEET IN WIDTH THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

A LINE 5 FEET EASTERLY FROM AND PARALLEL WITH THE WESTERLY BOUNDARY OF SAID PARCEL B, AND PARTLY LOCATED WITHIN THE R-O-W FOR FLORENCE AVENUE.



RECORDED: NOVEMBER 13, 1929 AS INSTRUMENT NO. 1242 IN BOOK 9387 PAGE 333,  
OFFICIAL RECORDS.

18. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC ROAD AND HIGHWAY PURPOSES.  
AFFECTS: THE SOUTHERLY 30 FEET OF PARCEL A, AND LOCATED WITHIN THE R-O-W FOR LAKELAND ROAD.  
RECORDED: OCTOBER 2, 1930 AS INSTRUMENT NO. 1348 IN BOOK 10259 PAGE 391,  
OFFICIAL RECORDS.
19. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC UTILITIES.  
AFFECTS: THE SOUTHERLY 30 FEET OF PARCEL D, AND LOCATED WITHIN THE R-O-W FOR LAKELAND ROAD.  
RECORDED: (REGISTERED) OCTOBER 2, 1930 AS DOCUMENT NO. 195364 EW-4928S.
20. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: SINGLE LINE OF POLES AND WIRES.  
AFFECTS: THE NORTH 10 FEET OF PARCELS A, B AND C, AND LOCATED WITHIN THE R-O-W FOR FLORENCE AVENUE.  
RECORDED: APRIL 6, 1932 AS INSTRUMENT NO. 1153 IN BOOK 11464 PAGE 296,  
OFFICIAL RECORDS.
21. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PIPE LINES.  
AFFECTS: A PORTION OF PARCELS A AND D, AS DESCRIBED THEREIN, AND LOCATED PARTLY WITHIN THE R-O-W FOR FLORENCE AVENUE.  
RECORDED: MAY 25, 1933 AS INSTRUMENT NO. 984 IN BOOK 12205 PAGE 119,  
OFFICIAL RECORDS, AND REGISTERED JUNE 13, 1933 AS DOCUMENT NO. 8670-B TORRENS EW-49285.
22. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: POLES.  
AFFECTS: A PORTION OF PARCEL C, AS DESCRIBED THEREIN, AND LOCATED PARTLY WITHIN THE R-O-W FOR FLORENCE AVENUE.  
RECORDED: AUGUST 6, 1941 AS INSTRUMENT NO. 1643 IN BOOK 18578 PAGE 386,  
OFFICIAL RECORDS.
23. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC UTILITIES.  
AFFECTS: A PORTION OF PARCEL A, AS DESCRIBED THEREIN.  
RECORDED: JULY 16, 1953 AS INSTRUMENT NO. 2115 IN BOOK 42232 PAGE 152,  
OFFICIAL RECORDS.
24. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC UTILITIES.  
AFFECTS: A PORTION OF PARCEL A, AS DESCRIBED THEREIN.



RECORDED: OCTOBER 6, 1953 AS INSTRUMENT NO. 2234 IN BOOK 42860 PAGE 119,  
OFFICIAL RECORDS.

25. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS  
PROVIDED IN A DOCUMENT  
FOR: POLES.  
AFFECTS: THE EASTERLY 10 FEET OF THE NORTHERLY 475 FEET OF PARCEL C  
AND LOCATED PARTLY WITHIN THE R-O-W FOR FLORENCE AVENUE.  
RECORDED: OCTOBER 26, 1954 AS INSTRUMENT NO. 3079 IN BOOK 45939 PAGE 26,  
OFFICIAL RECORDS.

26. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS  
PROVIDED IN A DOCUMENT  
FOR: POLES.  
AFFECTS: A PORTION OF PARCEL D, AS DESCRIBED THEREIN, AND LOCATED  
PARTLY WITHIN THE R-O-W FOR FLORENCE AVENUE.  
RECORDED: JUNE 9, 1955 AS INSTRUMENT NO. 4064 IN BOOK 48021 PAGE 422,  
OFFICIAL RECORDS.

27. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS  
PROVIDED IN A DOCUMENT  
FOR: POLES AND A TRANSFORMER STATION.  
AFFECTS: A PORTION OF PARCELS A AND D AS DETERMINED THEREIN.  
RECORDED: JUNE 23, 1958 AS INSTRUMENT NO. 3196 IN BOOK D135 PAGE 79,  
OFFICIAL RECORDS.

28. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS  
PROVIDED IN A DOCUMENT  
FOR: POLES.  
AFFECTS: A PORTION OF PARCEL D, AS DESCRIBED THEREIN.  
RECORDED: APRIL 7, 1961 AS INSTRUMENT NO. 4451 IN BOOK D1182 PAGE 294,  
OFFICIAL RECORDS.

29. AFFECTS PARCELS A, B AND C.

THE TERMS AND PROVISIONS SET OUT IN THAT CERTAIN DOCUMENT ENTITLED "AGREEMENT",  
RECORDED MARCH 25, 1964 AS INSTRUMENT NO. 4278 IN BOOK M1482 PAGE 652, OFFICIAL  
RECORDS.

30. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS  
PROVIDED IN A DOCUMENT  
FOR: POLES.  
AFFECTS: A PORTION OF PARCEL D, AS DESCRIBED THEREIN AND LOCATED  
PARTLY WITHIN THE R-O-W FOR LAKELAND ROAD.  
RECORDED: JUNE 18, 1964 AS INSTRUMENT NO. 5294 IN BOOK D2515 PAGE 501,  
OFFICIAL RECORDS.

31. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS  
PROVIDED IN A DOCUMENT  
FOR: POLES, TOWERS, TRANSFORMERS, FENCES AND CONCRETE PADS.  
AFFECTS: A PORTION OF PARCELS C AND D, AS DESCRIBED THEREIN.  
RECORDED: MAY 5, 1967 AS INSTRUMENT NO. 3176 IN BOOK D3635 PAGE 365,  
OFFICIAL RECORDS.



32. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC STREET OR HIGHWAY (FLORENCE AVENUE) AND PUBLIC UTILITIES.  
AFFECTS: A PORTION OF PARCELS A, B AND C AS DESCRIBED THEREIN.  
RECORDED: FEBRUARY 10, 1972 AS INSTRUMENT NO. 3692.

TOGETHER WITH A SLOPE EASEMENT FOR, AND THE RIGHT TO CONSTRUCT, MAINTAIN, OPERATE, AND USE CUTS AND/OR FILLS AND APPURTENANT STRUCTURES IN AND ACROSS THE REAL PROPERTY IN ABOVE MENTIONED CITY.

33. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC STREET OR HIGHWAY (FLORENCE AVENUE) AND PUBLIC UTILITIES.  
AFFECTS: PORTIONS OF PARCEL D, AS DESCRIBED THEREIN.  
RECORDED: FEBRUARY 10, 1972 AS INSTRUMENT NO. 3693.

TOGETHER WITH SLOPE EASEMENTS FOR, AND THE RIGHT TO CONSTRUCT, MAINTAIN, OPERATE, AND USE, CUTS AND/OR FILLS AND APPURTENANT STRUCTURES IN AND ACROSS THE REAL PROPERTY IN ABOVE MENTIONED CITY, DESCRIBED THEREIN.

34. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC STREET OR HIGHWAY (FLORENCE AVENUE) AND PUBLIC UTILITIES.  
AFFECTS: PORTION OF PARCEL G, AS DESCRIBED THEREIN.  
RECORDED: FEBRUARY 10, 1972 AS INSTRUMENT NO. 3694, AND RECORDED MARCH 27, 1972 AS INSTRUMENT NO. 2549.

TOGETHER WITH SLOPE EASEMENTS FOR, AND THE RIGHT TO CONSTRUCT, MAINTAIN, OPERATE AND USE AND/OR FILLS AND APPURTENANT STRUCTURES IN AND ACROSS THE REAL PROPERTY IN AND ABOVE MENTIONED CITY, DESCRIBED THEREIN.

35. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC STREET OR HIGHWAY (FLORENCE AVENUE) AND PUBLIC UTILITIES.  
AFFECTS: PORTION OF PARCEL C, AS DESCRIBED THEREIN.  
RECORDED: FEBRUARY 10, 1972 AS INSTRUMENT NO. 3695.

TOGETHER WITH A SLOPE EASEMENT FOR, AND RIGHT TO CONSTRUCT, MAINTAIN, OPERATE AND USE, CUTS AND/OR FILLS AND APPURTENANT STRUCTURES IN AND ACROSS THE REAL PROPERTY IN AND ABOVE MENTIONED CITY, DESCRIBED THEREIN.

36. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC STREET OR HIGHWAY AND PUBLIC UTILITIES.  
AFFECTS: PORTION OF PARCELS E AND G, AS DESCRIBED THEREIN.  
RECORDED: MARCH 27, 1972 AS INSTRUMENT NO. 2547 AND RECORDED MARCH 27, 1972 AS INSTRUMENT NO. 2548.

TOGETHER WITH EASEMENT FOR, AND THE RIGHT TO CONSTRUCT, MAINTAIN, OPERATE, AND USE, STORM DRAINS AND APPURTENANT STRUCTURES IN AND ACROSS THE REAL PROPERTY IN ABOVE MENTIONED CITY, DESCRIBED THEREIN.





ALSO TOGETHER WITH SLOPE EASEMENTS FOR, AND THE RIGHT TO CONSTRUCT, MAINTAIN, OPERATE, AND USE, CUTS AND/OR FILLS AND APPURTENANT STRUCTURES IN AND ACROSS THE REAL PROPERTY IN ABOVE MENTIONED CITY, DESCRIBED THEREIN.

37. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC STREET OR HIGHWAY (LAKELAND ROAD) AND PUBLIC UTILITIES.  
AFFECTS: PORTIONS OF PARCELS A AND D AND OTHER PROPERTY AS DESCRIBED THEREIN AND LOCATED WITHIN THE RIGHT-OF-WAY FOR LAKELAND ROAD.  
RECORDED: NOVEMBER 7, 1975 AS INSTRUMENT NO. 3610.
38. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC STREET OR HIGHWAY (BLOOMFIELD AVENUE) AND PUBLIC UTILITIES.  
AFFECTS: PORTIONS OF PARCELS E AND F, AS DESCRIBED THEREIN AND LOCATED WITHIN THE RIGHT-OF-WAY FOR BLOOMFIELD AVENUE.  
RECORDED: NOVEMBER 7, 1975 AS INSTRUMENT NO. 3611.
39. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: DRAINAGE.  
AFFECTS: A PORTION OF PARCEL E, AS DESCRIBED THEREIN.  
RECORDED: AUGUST 9, 1978 AS INSTRUMENT NO. 78-875864.
40. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: FLOOD CONTROL.  
AFFECTS: PARCEL E, AS DESCRIBED THEREIN.  
RECORDED: APRIL 10, 1990 AS INSTRUMENT NO. 90-676437.
41. AFFECTS PROPERTY IN QUESTION AND OTHER PROPERTY.

THE TERMS AND PROVISIONS SET OUT IN THAT CERTAIN DOCUMENT ENTITLED MEMORANDUM OF SALE, RECORDED OCTOBER 2, 1995 AS INSTRUMENT NO. 95-1598585.

42. A DEED OF TRUST TO SECURE AN INDEBTEDNESS.  
FACE AMOUNT: \$344,186.84.  
TRUSTOR: POWERINE OIL COMPANY, A CALIFORNIA CORPORATION.  
TRUSTEE: CHICAGO TITLE COMPANY, A CALIFORNIA CORPORATION.  
BENEFICIARY: DEMETRIOU, DEL GUERCIO, SPRINGER & MOYER, LLP.  
DATED: (NOT SHOWN).  
RECORDED: DECEMBER 31, 1997 AS INSTRUMENT NO. 97-2048245.

THE FOLLOWING MATTERS AFFECT PARCEL H:

43. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: ROAD, RAILROAD, DITCHES AND GATES  
AFFECTS: A STRIP OF LAND 30 FEET WIDE, LOCATED IN THE R-O-W FOR BLOOMFIELD AVENUE AND LAKELAND ROAD.  
RECORDED: IN BOOK 250 PAGE 57 OF DEEDS.



44. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: ROAD PURPOSES  
AFFECTS: SAID LAND, LOCATED WITHIN THE RIGHT-OF-WAY FOR FLORENCE AVENUE AND BLOOMFIELD AVENUE.  
RECORDED: DECEMBER 27, 1909 AS INSTRUMENT NO. 53 IN BOOK 4013 PAGE 79 OF DEEDS.
45. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: ROAD PURPOSES (ANAHEIM STREET, NOW KNOWN AS BLOOMFIELD AVENUE)  
AFFECTS: THE WESTERLY 30 FEET.  
RECORDED: AUGUST 23, 1916 AS INSTRUMENT NO. 74 IN BOOK 6283 PAGE 341 OF DEEDS.
46. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: A PIPE LINE  
AFFECTS: SAID LAND.  
RECORDED: (REGISTERED) JANUARY 3, 1923 AS DOCUMENT NO. 32750 TORRENS AND RECORDED JANUARY 16, 1923 AS INSTRUMENT NO. 1355 IN BOOK 1585 PAGE 384, OFFICIAL RECORDS.
47. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PIPE LINES.  
AFFECTS: A PORTION OF SAID LAND, LOCATED WITHIN THE R-O-W FOR LAKELAND ROAD.  
RECORDED: MAY 4, 1926 AS INSTRUMENT NO. 1370 IN BOOK 5927 PAGE 166, OFFICIAL RECORDS.
48. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: A PIPE LINE.  
AFFECTS: SAID PIPE LINE TO BE LAID SOUTH OF AND AS CLOSE AS PRACTICABLE TO THE SOUTH LINE OF THE ROAD ADJOINING SAID LAND ON THE NORTH, LOCATED WITHIN THE R-O-W FOR FLORENCE AVENUE AND BLOOMFIELD AVENUE.  
RECORDED: DECEMBER 7, 1925 AS INSTRUMENT NO. 1449 IN BOOK 4534 PAGE 203, OFFICIAL RECORDS.
49. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC UTILITIES.  
AFFECTS: THE SOUTHERLY 30 FEET OF SAID LAND, LOCATED WITHIN THE R-O-W FOR LAKELAND ROAD.  
RECORDED: (REGISTERED) NOVEMBER 13, 1930 AS DOCUMENT NOS. 197101 AND 197100 TORRENS.
50. THE PERPETUAL RIGHT TO GO AND BE UPON THE NORTH 500 FEET OF SAID LAND IN ANY AND EVERY WAY AND MEANS AS MAY BE NECESSARY, PROPER OR CONVENIENT FOR THE SOLE AND ONLY PURPOSE OF DEVELOPING, EXTRACTING AND REMOVING ALL MINERALS, ORES, METALS, OIL AND VALUABLE MINERAL DEPOSITS INCLUDING THE RIGHT TO ERECT, USE, AND MAINTAIN IN, UPON OR UNDER ALL OR ANY PART OF SAID PORTION OF SAID PARCELS 1 AND 3.



SUCH PLANTS, WELLS, MACHINERY, DERRICKS, PUMPS, TANKS, BUILDINGS, STRUCTURES, EQUIPMENT, PIPE LINES, ELECTRIC, TELEGRAPH AND TELEPHONE LINES AND HIGHWAYS AS MAY AT ANY TIME BE REQUIRED FOR SAID PURPOSE OF DEVELOPING, EXTRACTING AND REMOVING ALL OR ANY OF THE FOR SAID PURPOSE OF DEVELOPING, EXTRACTING AND REMOVING ALL OR ANY OF THE AFORESAID MINERALS ETC., AS RESERVED BY JULIA M. BAKER, IN THE DEED REGISTERED ON FEBRUARY 4, 1935 UNDER THE PROVISIONS OF THE LAND TITLE LAW AS DOCUMENT NO. 1451D, TORRENS

51. AN OIL AND GAS LEASE AFFECTING SAID LAND LYING BELOW A DEPTH OF (NOT SHOWN) FEET FROM THE SURFACE THEREOF, FOR THE TERM AND UPON THE TERMS, CONDITIONS AND COVENANTS THEREIN PROVIDED,  
LESSOR: JULIA M. BAKER.  
LESSEE: GLENN A. HARRIS.  
RECORDED: (REGISTERED) FEBRUARY 25, 1935 AS DOCUMENT NO. 2382D, TORRENS.
- MATTERS AFFECTING THE PRESENT INTEREST OF THE LESSOR OR LESSEE ARE NOT SHOWN HEREIN.
52. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: STREET AND PUBLIC UTILITIES.  
AFFECTS: A PORTION OF SAID LAND, LOCATED WITHIN THE R-O-W FOR BLOOMFIELD AVENUE AND LAKELAND ROAD.  
RECORDED: AUGUST 18, 1976 AS INSTRUMENT NO. 3420.
53. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: STREET, DRAINAGE, SLOPES, CUTS AND FILLS.  
AFFECTS: A PORTION OF SAID LAND AND PARTLY WITHIN THE R-O-W FOR FLORENCE AVENUE.  
RECORDED: JUNE 1, 1978 AS INSTRUMENT NO. 78-587639 AND RECORDED MAY 19, 1980 AS INSTRUMENT NO. 80-496899.
54. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC UTILITIES, SANITARY SEWERS AND WATER MAIN.  
AFFECTS: A PORTION OF SAID LAND.  
RECORDED: DECEMBER 20, 1979 AS INSTRUMENT NO. 79-1427873.
55. THE TERMS AND PROVISIONS SET OUT IN THAT CERTAIN DOCUMENT ENTITLED AGREEMENT, RECORDED MAY 19, 1981 AS INSTRUMENT NO. 81-532982.
56. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: UNDERGROUND ELECTRICAL SUPPLY SYSTEMS AND COMMUNICATION SYSTEMS.  
AFFECTS: A PORTION OF SAID LAND.  
RECORDED: APRIL 29, 1987 AS INSTRUMENT NO. 87-671448.
57. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: FLOOD CONTROL.  
AFFECTS: SAID LAND.  
RECORDED: APRIL 10, 1990 AS INSTRUMENT NO. 90-676437.



THE FOLLOWING MATTERS AFFECT PARCEL I:

58. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: ROAD.  
AFFECTS: THE WESTERLY 30 FEET OF SAID LAND.  
RECORDED: AUGUST 23, 1916 AS INSTRUMENT NO. 74 IN BOOK 6283 PAGE 341 OF DEEDS.
59. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PIPE LINES.  
AFFECTS: A STRIP OF LAND 10 FEET WIDE, THE CENTER LINE OF WHICH IS 5 FEET EASTERLY FROM AND PARALLEL WITH THE EASTERLY LINE OF BUTLER ROAD AND EXTENDING FROM THE NORTHERLY TO THE SOUTHERLY LINE OF SAID PROPERTY.  
RECORDED: (REGISTERED) JULY 13, 1923 AS DOCUMENT NO. 41210.
60. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: ROAD.  
AFFECTS: THE NORTHERLY 30 FEET OF SAID LAND.  
RECORDED: (REGISTERED) NOVEMBER 13, 1930 AS DOCUMENT NO. 197100.
61. PERPETUAL RIGHT TO GO AND BE UPON THE NORTH 500 FEET OF SAID LAND AS MAY BE NECESSARY FOR THE SOLE PURPOSE OF DEVELOPING, EXTRACTING, SAVING, TAKING AND REMOVING ALL OR ANY OF SAID MINERALS, AFORESAID, AND TO ERECT SUCH PLANTS, MACHINERY, DERRICKS, PIPE LINES AND POLE LINES AND ROADWAYS, AND THE RIGHT TO REMOVE ANY OF SAID PLANTS, MACHINERY, ETC., FROM SAID NORTH 500 FEET, AS RESERVED IN THE DEED FROM JULIA M. BAKER, RECORDED FEBRUARY 21, 1935 IN BOOK 13278 PAGE 172, OFFICIAL RECORDS
62. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: STREET, PUBLIC UTILITY AND MUNICIPAL PURPOSES.  
AFFECTS: AS SHOWN THEREIN.  
RECORDED: AUGUST 18, 1976 AS INSTRUMENT NO. 3420.
63. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: STREET, PUBLIC UTILITY AND MUNICIPAL PURPOSES.  
AFFECTS: THE WESTERLY 50 FEET OF THE NORTH HALF OF SAID NORTHWEST QUARTER, EXCLUDING THEREFROM ANY STREETS OF RECORD; EXCEPT THE NORTHERLY 650 FEET TO BE KNOWN AS BLOOMFIELD AVENUE.  
RECORDED: NOVEMBER 24, 1976 AS INSTRUMENT NO. 5253.
64. AN EASEMENT FOR PURPOSES HEREIN STATED, AND RIGHTS INCIDENTAL THERETO AS PROVIDED IN A DOCUMENT  
FOR: PUBLIC UTILITIES.  
AFFECTS: AS SHOWN THEREIN.  
RECORDED: FEBRUARY 9, 1983 AS INSTRUMENT NO. 83-160003.
65. THE TERMS AND PROVISIONS SET OUT IN THAT CERTAIN DOCUMENT ENTITLED COVENANT AND AGREEMENT TO RESTRICT USE OF PROPERTY AND ENVIRONMENTAL RESTRICTION, RECORDED AUGUST 27, 1998 AS INSTRUMENT NO. 98-1538906.

THE FOLLOWING MATTERS AFFECT ALL OF SAID LAND:

66. LIENS FOR UNSECURED PROPERTY TAXES IN FAVOR OF THE TAX COLLECTOR, COUNTY OF LOS ANGELES  
TAX PAYER: POWERINE OIL COMPANY, INC., A CALIFORNIA CORPORATION.  
AS DISCLOSED BY NUMEROUS RECORDED LIENS.

FURTHER INFORMATION REGARDING THE ABOVE LIENS CAN BE PROVIDED UPON REQUEST.

67. A JUDGMENT IN THE AMOUNT OF \$14,335.31.  
AGAINST: POWERINE OIL COMPANY, A CALIFORNIA CORPORATION.  
IN FAVOR OF: SPACE LEASING COMPANY, A CALIFORNIA CORPORATION.  
ENTERED: NOVEMBER 21, 1997.  
COURT: LOS ANGELES MUNICIPAL COURT.  
CASE NO.: 97C00991.  
AN ABSTRACT OF WHICH JUDGMENT WAS  
RECORDED: JANUARY 12, 1998 AS INSTRUMENT NO. 98-52232.
68. A JUDGMENT IN THE AMOUNT OF \$109,697.97.  
AGAINST: POWERINE OIL COMPANY.  
IN FAVOR OF: BRAGG INVESTMENT COMPANY, INC.  
ENTERED: DECEMBER 23, 1997.  
COURT: SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF LOS ANGELES - SOUTH DISTRICT, LONG BEACH.  
CASE NO.: NC022421.  
AN ABSTRACT OF WHICH JUDGMENT WAS  
RECORDED: JANUARY 28, 1998 AS INSTRUMENT NO. 98-143613.
69. A JUDGMENT IN THE AMOUNT OF \$135,043.95.  
AGAINST: POWERINE OIL COMPANY.  
IN FAVOR OF: PETRO-CHEMICAL INSULATION, INC.  
ENTERED: FEBRUARY 19, 1998.  
COURT: SOLANO COUNTY SUPERIOR COURT.  
CASE NO.: L 008041.  
AN ABSTRACT OF WHICH JUDGMENT WAS  
RECORDED: MARCH 2, 1998 AS INSTRUMENT NO. 98-331610.
70. A LIEN DUE THE STATE OF CALIFORNIA,  
DEPARTMENT: STATE BOARD OF EQUALIZATION.  
CERTIFICATE NO.: BE-0831218.  
ACCOUNT NO.: (NOT SHOWN).  
AMOUNT: \$270,106.97.  
TAXPAYER: POWERINE OIL COMPANY.  
RECORDED: MARCH 4, 1998 AS INSTRUMENT NO. 98-350169.
71. A JUDGMENT IN THE AMOUNT OF \$3,000,000.00.  
AGAINST: POWERINE OIL COMPANY, A CALIFORNIA CORPORATION.  
IN FAVOR OF: KENYEN PROJECTS LIMITED.  
ENTERED: FEBRUARY 5, 1998.  
COURT: LOS ANGELES COUNTY SUPERIOR COURT.  
CASE NO.: BC 174697.  
AN ABSTRACT OF WHICH JUDGMENT WAS  
RECORDED: JULY 8, 1998 AS INSTRUMENT NO. 98-1153926.



SAID JUDGMENT WAS SATISFIED IN FULL AS TO POWERINE OIL COMPANY, A CALIFORNIA CORPORATION, BY SATISFACTION OF JUDGMENT, RECORDED MAY 17, 1999 AS INSTRUMENT NO. 99-885718.

THE LIEN OF SAID JUDGMENT AND THE ENTIRE DEBTOR'S OBLIGATION THEREUNDER WAS ASSIGNED TO CENCO, INC., BY ASSIGNMENT OF JUDGMENT RECORDED MAY 71, 1999 AS INSTRUMENT NO. 99-889205.

72. A JUDGMENT IN THE AMOUNT OF \$29,791.42.  
AGAINST: POWERINE OIL CO., A CORPORATION.  
IN FAVOR OF: M & N VALVE CORPORATION, A CALIFORNIA CORPORATION.  
ENTERED: APRIL 14, 1998.  
COURT: MUNICIPAL COURT, LONG BEACH JUDICIAL DISTRICT.  
CASE NO.: 97C03835.  
AN ABSTRACT OF WHICH JUDGMENT WAS  
RECORDED: JULY 23, 1998 AS INSTRUMENT NO. 98-1257929.
73. AN ATTACHMENT ISSUED ATTACHING ALL RIGHT, TITLE AND INTEREST OF  
DEFENDANT: CENCO REFINING COMPANY, A DELAWARE CORPORATION.  
STANDING OF RECORD IN THE NAME  
OF: CENCO REFINING COMPANY, A CALIFORNIA CORPORATION.  
COURT: SUPERIOR COURT OF THE STATE OF CALIFORNIA, COUNTY OF LOS  
ANGELES.  
CASE NO.: BC 210343.  
ENTITLED: POWERINE OIL COMPANY, A CALIFORNIA CORPORATION.  
VS.: CENCO REFINING COMPANY, A DELAWARE CORPORATION.  
RECORDED: JUNE 28, 1999 AS INSTRUMENT NO. 99-1179290.
- A JUDGMENT IN THE AMOUNT OF \$419,511.00.  
AGAINST: CENCO REFINING COMPANY.  
IN FAVOR OF: POWERINE OIL COMPANY.  
ENTERED: DECEMBER 17, 1999.  
COURT: LOS ANGELES SUPERIOR COURT.  
CASE NO.: BC 210343.  
AN ABSTRACT OF WHICH JUDGMENT WAS  
RECORDED: JANUARY 27, 2000 AS INSTRUMENT NO. 00-130504.
74. A CLAIM OF MECHANIC'S LIEN  
AMOUNT: \$1,874,717.00.  
BY: LG ENGINEERING & CONSTRUCTION CORP., A CORPORATION.  
RECORDED: FEBRUARY 23, 2001 AS INSTRUMENT NO. 01-307339.
- NOTICE OF ACTION FILED IN:  
COURT: SUPERIOR COURT OF THE STATE OF CALIFORNIA, COUNTY OF  
LOS ANGELES, CENTRAL DISTRICT.  
CASE NO.: BC 245482.  
PLAINTIFF: LG ENGINEERING & CONSTRUCTION CORP., A CORPORATION.  
VS.  
DEFENDANT: CENCO REFINING COMPANY, A CORPORATION AND DOES 1  
THROUGH 50, INCLUSIVE.  
PURPOSE: BREACH OF CONTRACT, DECLARATORY RELIEF, MONEY HAD AND  
RECEIVED, ACCOUNT STATED, AND FORECLOSURE OF  
MECHANIC'S LIEN.  
RECORDED: MARCH 1, 2001 AS INSTRUMENT NO. 01-342504.



NO EXAMINATION OF SAID PROCEEDINGS HAS BEEN MADE. UPON COMPLETION OF OUR EXAMINATION WE WILL ADVISE YOU OF OUR FINDINGS.

75. THE REQUIREMENT THAT THIS COMPANY BE FURNISHED WITH THE BY-LAWS AND A RESOLUTION PURSUANT TO SAID BY-LAWS AUTHORIZING THE TRANSACTION CONTEMPLATED HEREIN,  
FROM: CENCO REFINING CO., A DELAWARE CORPORATION.

THE REQUIREMENT THAT THIS COMPANY BE FURNISHED WITH EVIDENCE THAT THE CORPORATION WAS DULY FORMED IN ITS HOME STATE, IS IN GOOD STANDING AND ITS RIGHT TO DO BUSINESS HAS NOT BEEN IMPAIRED OR SUSPENDED FOR ANY REASON.

76. NO POLICY OF TITLE INSURANCE HAS BEEN ISSUED ON THIS PROPERTY WITHIN THE LAST FIVE YEARS. IF A POLICY IS ISSUED UNDER THE ABOVE ORDER, THE BASIC SCHEDULE RATE WILL APPLY.

77. NOTE: WIRING INSTRUCTIONS FOR FIRST AMERICAN TITLE COMPANY - LOS ANGELES -TITLE DEPARTMENT.

FIRST AMERICAN TRUST FSB  
SANTA ANA BRANCH  
421 NORTH MAIN STREET  
SANTA ANA, CALIFORNIA 92701

ACCOUNT NAME: FIRST AMERICAN TITLE COMPANY - LOS ANGELES

ABA #122241255  
ACCT #14101

PLEASE REFERENCE TITLE ORDER NO.: 2122126-21

FUNDS FOR OTHER LOANS BEING INSURED BY FIRST AMERICAN TITLE MUST NOT BE COMBINED INTO ONE WIRE - OR FUNDS MAY BE RETURNED.

NOTE: ALL WIRES MUST REFERENCE (1) FIRST AMERICAN TITLE COMPANY - LOS ANGELES AND (2) OUR ACCOUNT NUMBER - OR FUNDS MAY BE RETURNED.



LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN IS SITUATED IN THE COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

PARCEL A:

THE EAST ONE-HALF OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 3 SOUTH, RANGE 11 WEST, IN THE RANCHO SANTA GERTRUDES, IN THE CITY OF SANTA FE SPRINGS, AS PER MAP RECORDED IN BOOK 1 PAGE 502 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY:

EXCEPT THEREFROM THE NORTH 20 FEET.

ALSO EXCEPT THEREFROM THAT PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 3 SOUTH, RANGE 11 WEST, RANCHO SANTA GERTRUDES, IN THE CITY OF SANTA FE SPRINGS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE EAST 20 ACRES OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 6; THENCE EAST ALONG THE NORTH LINE THEREOF 190 FEET; THENCE SOUTH, PARALLEL WITH THE WEST LINE OF SAID EAST 20 ACRES, 249.26 FEET; THENCE WEST, PARALLEL WITH SAID NORTH LINE 190 FEET TO SAID WEST LINE; THENCE NORTH ALONG SAID WEST LINE 249.26 FEET TO THE POINT OF BEGINNING.

ALSO EXCEPT THEREFROM THE EASTERLY 402 FEET OF THE NORTHERLY 539 FEET OF THAT PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 3 SOUTH, RANGE 11 WEST, IN THE RANCHO SANTA GERTRUDES, CITY OF SANTA FE SPRINGS, AS PER MAP RECORDED IN BOOK 1 PAGE 502 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING SOUTHERLY OF THE SOUTHERLY LINE, LITTLE LAKE ROAD, 40 FEET WIDE, NOW FLORENCE AVENUE.

ALSO EXCEPT THEREFROM ALL OIL, GAS, ASPHALTUM AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, AS RESERVED IN BOOK 14704 PAGE 18, BOOK 16835 PAGE 218, BOOK 16971 PAGE 28, BOOK 17027 PAGE 44, BOOK 17380 PAGE 205, BOOK 17449 PAGE 89, BOOK 19679 PAGE 391, BOOK 21147 PAGE 182, BOOK 21499 PAGE 87 AND BOOK 22486 PAGE 147 OFFICIAL RECORDS.

PARCEL B:

THAT PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 3 SOUTH, RANGE 11 WEST, RANCHO SANTA GERTRUDES, IN THE CITY OF SANTA FE SPRINGS, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE EAST 20 ACRES OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 6; THENCE EAST ALONG THE NORTH LINE THEREOF 190 FEET; THENCE SOUTH, PARALLEL WITH THE WEST LINE OF SAID EAST 20 ACRES, 249.26 FEET; THENCE WEST, PARALLEL WITH SAID NORTH LINE 190 FEET TO SAID WEST LINE; THENCE NORTH ALONG SAID WEST LINE 249.26 FEET TO THE POINT OF BEGINNING.

EXCEPT THEREFROM THAT PORTION THEREOF LYING WITHIN LITTLE LAKE ROAD ON THE NORTH.

ALSO EXCEPT THEREFROM ALL CRUDE OIL, PETROLEUM, GAS, BREA, ASPHALTUM AND ALL KINDRED SUBSTANCES AND OTHER MINERALS UNDER AND IN SAID LAND BELOW 500 FEET FROM THE SURFACE OF SAID LAND, WITHOUT THE RIGHT OF SURFACE ENTRY OR THE USE THEREOF, AS RESERVED IN THE DEED FROM UNITED OIL WELL SUPPLY COMPANY, A CORPORATION, RECORDED SEPTEMBER 19, 1961 AS INSTRUMENT NO. 1698 IN BOOK D1359 PAGE 415, OFFICIAL RECORDS.





## PARCEL C:

THE EASTERLY 402 FEET OF THE NORTHERLY 539 FEET OF THAT PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 3 SOUTH, RANGE 11 WEST, IN THE RANCHO SANTA GERTRUDES, CITY OF SANTA FE SPRINGS, AS PER MAP RECORDED IN BOOK 1 PAGE 502 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, LYING SOUTHERLY OF THE SOUTHERLY LINE, LITTLE LAKE ROAD, 40 FEET WIDE, NOW FLORENCE AVENUE.

EXCEPT THEREFROM A 7/108 INTEREST IN THE ABOVE DESCRIBED LAND AS GRANTOR INTEREST MAY APPEAR ALL OILS, GAS MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING 500 FEET BELOW THE SURFACE OF SAID LAND, BUT WITHOUT RIGHT OF ENTRY TO THE SURFACE OF SAID LAND ABOVE A PLANE OF 500 FEET BELOW THE SURFACE THEREOF, AS RESERVED BY EVERT F. JOHNSON, IN THE DEED DATED AUGUST 11, 1965 AND RECORDED OCTOBER 1, 1965 AS INSTRUMENT NO. 724 IN BOOK D3067 PAGE 149, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM A 44/90 INTEREST IN THE ABOVE DESCRIBED LAND AS GRANTOR INTEREST MAY APPEAR, ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING 500 FEET BELOW THE SURFACE OF SAID LAND, BUT WITHOUT RIGHT OF ENTRY TO THE SURFACE OF SAID LAND ABOVE A PLANE OF 500 FEET BELOW THE SURFACE THEREOF, AS RESERVED BY MARGUERITE B. JOHNSON, IN THE DEED DATED AUGUST 11, 1965 AND RECORDED OCTOBER 1, 1965 AS INSTRUMENT NO. 721 IN BOOK D3067 PAGE 146, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM A 7/108 INTEREST IN THE ABOVE DESCRIBED LAND AS GRANTOR INTEREST MAY APPEAR, ALL OILS, GAS MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING 500 FEET BELOW THE SURFACE OF SAID LAND, BUT WITHOUT RIGHT OF ENTRY TO THE SURFACE OF SAID LAND ABOVE A PLANE OF 500 FEET BELOW THE SURFACE THEREOF, AS RESERVED BY VERA M. COWAN, IN THE DEED DATED AUGUST 11, 1965 AND RECORDED OCTOBER 1, 1965 AS INSTRUMENT NO. 722 IN BOOK D3067 PAGE 147, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM A 7/108 INTEREST IN THE ABOVE DESCRIBED LAND AS GRANTOR INTEREST MAY APPEAR, ALL OILS, GAS MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING 500 FEET BELOW THE SURFACE OF SAID LAND, BUT WITHOUT RIGHT OF ENTRY TO THE SURFACE OF SAID LAND ABOVE A PLANE OF 500 FEET BELOW THE SURFACE THEREOF, AS RESERVED BY HAZEL B. YALE, IN THE DEED DATED AUGUST 11, 1965 AND RECORDED OCTOBER 1, 1965 AS INSTRUMENT NO. 723 IN BOOK D3067 PAGE 148, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM A 7/108 INTEREST IN THE ABOVE DESCRIBED LAND AS GRANTOR INTEREST MAY APPEAR, ALL OILS, GAS MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING 500 FEET BELOW THE SURFACE OF SAID LAND, BUT WITHOUT RIGHT OF ENTRY TO THE SURFACE OF SAID LAND ABOVE A PLANE OF 500 FEET BELOW THE SURFACE THEREOF, AS RESERVED BY ROBERT D. JOHNSON, IN THE DEED DATED AUGUST 11, 1965 AND RECORDED OCTOBER 1, 1965 AS INSTRUMENT NO. 720 IN BOOK D3067 PAGE 145, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM A 7/108 INTEREST IN THE ABOVE DESCRIBED LAND AS GRANTOR INTEREST MAY APPEAR, ALL OILS, GAS MINERALS AND OTHER HYDROCARBON SUBSTANCES LYING 500 FEET BELOW THE SURFACE OF SAID LAND, BUT WITHOUT RIGHT OF ENTRY TO THE SURFACE OF SAID LAND ABOVE A PLANE OF 500 FEET BELOW THE SURFACE THEREOF, AS RESERVED BY HARRY G. JOHNSON, IN THE DEED DATED AUGUST 11, 1965 AND RECORDED OCTOBER 1, 1965 AS INSTRUMENT NO. 727 IN BOOK D3067 PAGE 154, OFFICIAL RECORDS.

## PARCEL D:



THE WEST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, IN THE TOWNSHIP 3 SOUTH, RANGE 11 WEST, AS SHOWN UPON A MAP OF THE SOUTHWESTERN PORTION OF THE RANCHO SANTA GERTRUDES, AS PER MAP RECORDED IN BOOK 1 PAGE 502 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE NORTH 20 FEET THEREOF DEEDED TO THE COUNTY OF LOS ANGELES FOR ROAD PURPOSES.

ALSO EXCEPT THEREFROM ONE-HALF OF ALL OILS, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES THAT MAY BE PRODUCED UPON OR FROM SAID PROPERTY, AND THE OIL, RENTS AND ROYALTIES RECEIVED THEREFROM, AS RESERVED IN THE DEED FROM DAVID STEWART PATTERSON, ET UX., FILED SEPTEMBER 14, 1922 AS TORRENS DOCUMENT NO. 28717 AND RECORDED IN BOOK 1448 PAGE 162, OFFICIAL RECORDS.

PARCEL E:

THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 3 SOUTH, RANGE 11 WEST OF THE RANCHO SANTA GERTRUDES, SUBDIVIDED FOR THE SANTA GERTRUDES LAND ASSOCIATION, IN THE CITY OF SANTA FE SPRINGS, AS PER MAP RECORDED IN BOOK 1 PAGE 502 OF MISCELLANEOUS RECORDS.

EXCEPT THEREFROM THE NORTHERLY 320.00 FEET THEREOF.

ALSO EXCEPT THEREFROM THE EASTERLY 230.00 FEET OF THE NORTHERLY 420.00 FEET THEREOF.

ALSO EXCEPT THEREFROM THE EASTERLY 230.00 FEET OF THE NORTHERLY 100.00 FEET OF THE SOUTHERLY 630.00 FEET THEREOF.

ALSO EXCEPT THEREFROM THE EASTERLY 30.00 FEET AND THE SOUTHERLY 30.00 FEET THEREOF TO BE USED FOR ROAD PURPOSES.

ALSO EXCEPT THEREFROM ALL OIL, GAS AND OTHER HYDROCARBONS SUBSTANCES AND OTHER MINERALS, LOCATED ON, IN OR UNDER, OR WHICH MAY BE PRODUCED FROM, SAID PROPERTY BELOW A VERTICAL DEPTH OF 250 FEET BELOW THE SURFACE THEREOF, TOGETHER WITH THE RIGHT TO DEVELOP, PRODUCE, DRILL FOR, EXTRACT AND REMOVE THE SAME, ONLY BELOW A VERTICAL DEPTH OF 250 FEET BELOW THE SURFACE THEREOF, BUT WITHOUT RIGHTS OF ENTRY, UPON OR THROUGH AND RIGHTS TO USE OR OCCUPY, FOR ANY PURPOSE WHATSOEVER, THE SURFACE OF OR THAT PORTION OF THE SUBSURFACE LYING 250 FEET VERTICALLY IN DEPTH BELOW THE SURFACE THEREOF, AS RESERVED IN THE DEED FROM E.J.B. LAND COMPANY, A CORPORATION, AND LEONA THELMA MYER, RECORDED AUGUST 13, 1963 AS INSTRUMENT NO. 928 IN BOOK D2142 PAGE 433, OFFICIAL RECORDS.

PARCEL F:

THE WESTERLY 200.00 FEET OF THE EASTERLY 230.00 FEET OF THE NORTHERLY 100.00 FEET OF THE SOUTHERLY 630.00 FEET OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 3 SOUTH, RANGE 11 WEST, OF THE RANCHO SANTA GERTRUDES, IN THE CITY OF SANTA FE SPRINGS, AS SHOWN ON MAP RECORDED IN BOOK 1 PAGE 502 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL G:

THE NORTH 320 FEET AND THE SOUTH 100 FEET OF THE NORTH 420 FEET OF THE EAST 230 FEET OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 3 SOUTH, RANGE 11 WEST OF THE RANCHO SANTA GERTRUDES, IN THE CITY OF SANTA FE



SPRINGS, AS PER MAP RECORDED IN BOOK 1 PAGE 502 OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND, AS EXCEPTED AND RESERVED BY E. J. B. LAND COMPANY, A CORPORATION, AND LEONA THELMA MYER, IN DEEDS RECORDED NOVEMBER 12, 1973 AS INSTRUMENT NOS. 990 AND 991.

PARCEL H:

THAT PORTION OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SECTION 5, TOWNSHIP 3 SOUTH, RANGE 11 WEST, IN RANCHO SANTA GERTRUDES, IN THE CITY OF SANTA FE SPRINGS, LYING WESTERLY OF ATCHISON, TOPEKA AND SANTA FE RAILROAD RIGHT OF WAY.

EXCEPT THEREFROM THOSE PORTIONS INCLUDED WITHIN THE LINES OF THE LAND DESCRIBED IN PARCELS 46-26B AND 46-28 IN THE FINAL ORDER OF CONDEMNATION ENTERED IN LOS ANGELES COUNTY SUPERIOR COURT CASE NO. C-227794, A CERTIFIED COPY OF WHICH WAS RECORDED ON MAY 19, 1980 AS INSTRUMENT NO. 80-496899 OF SAID COUNTY.

ALSO EXCEPT THEREFROM THE INTEREST OF THOSE PORTION INCLUDED WITHIN THE LINES OF THE LAND DESCRIBED IN PARCELS 46-26A AND 46-27, IN THE DEED TO THE COUNTY OF LOS ANGELES, RECORDED ON JUNE 12, 1978 AS DOCUMENT NO. 78-631570, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM ALL OIL, MINERALS AND MINERAL RIGHTS, MINERALS, ORES AND METALS AND OTHER USEFUL AND VALUABLE MINERAL DEPOSITS OF EVERY KIND, CHARACTER AND DESCRIPTION, INCLUDING IN PART ASPHALT, TAR, GAS, OIL, PETROLEUM AND OTHER HYDROCARBONS THAT MAY BE OR HEREAFTER BE FOUND, DEPOSITED, CONTAINED OR DEVELOPED IN, UPON, FROM OR UNDER OR THAT MAY BE MINED, EXTRACTED, PUMPED OR WITHDRAWN IN ANYWISE IN, UPON, FROM OR UNDER ALL OR ANY PART OF SAID LAND, AS EXCEPTED AND RESERVED BY JULIA M. BAKER, A WIDOW, IN THE DEED RECORDED FEBRUARY 21, 1935 IN BOOK 13278 PAGE 172, OFFICIAL RECORDS, AND REGISTERED FEBRUARY 4, 1935 AS DOCUMENT NO. 1451-D.

PARCEL I:

THAT PORTION OF THE NORTH HALF OF THE NORTHWEST QUARTER OF SECTION 8, TOWNSHIP 3 SOUTH, RANGE 11 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF SANTA FE SPRINGS, LYING WEST OF ATCHISON, TOPEKA AND SANTA FE RAILROAD RIGHT OF WAY.

EXCEPT THEREFROM ALL OIL, MINERALS AND MINERAL RIGHTS, ORES AND METALS AND OTHER USEFUL AND VALUABLE MINERAL DEPOSITS OF EVERY KIND, CHARACTER AND DESCRIPTION, INCLUDING IN PART ASPHALT, TAR, GAS, OIL, PETROLEUM AND OTHER HYDROCARBONS THAT MAY BE OR HEREAFTER BE FOUND, DEPOSITED, CONTAINED OR DEVELOPED, IN, UPON, FROM OR UNDER, OR THAT MAY BE MINED, EXTRACTED, PUMPED OR WITHDRAWN IN ANYWAY IN, UPON, FROM OR UNDER ALL OR ANY PART OF SAID LAND TOGETHER WITH THE RIGHT TO GO AND BE UPON THE NORTH 500 FEET OF SAID LAND (BUT NOT ANY OTHER PART THEREOF) FOR THE PURPOSE OF EXTRACTING AND REMOVING SAME AS EXCEPTED AND RESERVED BY JULIA M. BAKER, A WIDOW, IN THE DEED RECORDED FEBRUARY 21, 1935 IN BOOK 13278 PAGE 172, OFFICIAL RECORDS, AND REGISTERED FEBRUARY 4, 1935 AS DOCUMENT NO. 1451-D.

ALSO EXCEPT THEREFROM, ALL RIGHT, TITLE AND INTEREST IN AND TO ALL WATER RIGHTS, COAL, OIL, GAS AND OTHER HYDROCARBONS, GEOTHERMAL RESOURCES PRECIOUS METALS ORES, BASE METALS, ORES, INDUSTRIAL-GRADE SILICATES AND CARBONATES, FISSIONABLE MINERALS OF EVERY KIND AND CHARACTER, METALLIC OR OTHERWISE, WHETHER OR NOT PRESENTLY KNOWN TO SCIENCE OR INDUSTRY, NOW KNOWN TO EXIST OR HEREAFTER DISCOVERED UPON, WITHIN OR UNDERLYING THE SURFACE OF SAID LAND REGARDLESS OF THE DEPTH BELOW THE SURFACE AT



WHICH ANY SUCH SUBSTANCE MAY BE FOUND; HOWEVER, GRANTOR OR ITS SUCCESSORS AND ASSIGNS, SHALL NOT HAVE THE RIGHT FOR ANY PURPOSE WHATSOEVER TO ENTER UPON, INTO OR THROUGH THE SURFACE OR THE FIRST 500 FEET OF THE SUBSURFACE OF THE PROPERTY IN CONNECTION THEREWITH, AS RESERVED BY BC SANTA FE SPRINGS, LLC, IN THE DEED RECORDED DECEMBER 2, 1998, AS INSTRUMENT NO. 98-2196759.

**EXHIBIT A**  
**LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS (By Policy Type)**

**1. CALIFORNIA LAND TITLE ASSOCIATION STANDARD COVERAGE POLICY - 1990**  
**SCHEDULE B**

**EXCEPTIONS FROM COVERAGE**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records. Proceedings by a public agency which may result in taxes or assessments, or notice of such proceedings, whether or not shown by the records of such agency or by the public records.
2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or which may be asserted by persons in possession thereof.
3. Easements, liens, or encumbrances, or claims thereof, which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by the public records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the public records.

**EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use or enjoyment of the land; (ii) the character, dimensions or location of an improvement now or hereafter erected on the land, (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:
  - (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable "doing business" laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by their policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

**2. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY FORM B - 1970**  
**SCHEDULE OF EXCLUSIONS FROM COVERAGE**

1. Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a reduction in the dimensions of area of the land, or the effect of any violation of any such law, ordinance or governmental regulation.
2. Rights of eminent domain or governmental rights or police power unless notice of the exercise of such rights appears in the public records at Date of Policy.
3. Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed or agreed to by the insured claimant; (b) not known to the Company and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder; (c) resulting in no loss or damage to the insured claimant; (d) attaching or created subsequent to Date of Policy; or (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

**3. AMERICAN LAND TITLE ASSOCIATION OWNERS POLICY FORM B - 1970**  
**WITH REGIONAL EXCEPTIONS**

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 2 above are used and the following exceptions to coverage appear in the policy.

**SCHEDULE B**

This policy does not insure against loss or damage by reason of the matters shown in parts one and two following:

**Part One:**

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. Unpatented mining claims, reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
6. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the public records.

**4. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1970  
WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE  
SCHEDULE OF EXCLUSIONS FROM COVERAGE**

1. Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a reduction in the dimensions or area of the land, or the effect of any violation of any such law ordinance or governmental regulation.
2. Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records at Date of Policy.
3. Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed or agreed to by the insured claimant; (b) not known to the Company and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy or acquired the insured mortgage and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder; (c) resulting in no loss or damage to the insured claimant; (d) attaching or created subsequent to Date of Policy (except to the extent insurance is afforded herein as to any statutory lien for labor or material or to the extent insurance is afforded herein as to assessments for street improvements under construction or completed at Date of Policy).
4. Unenforceability of the lien of the insured mortgage because of failure of the insured at Date of Policy or of any subsequent owner of the indebtedness to comply with applicable "doing business" laws of the state in which the land is situated.

**5. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1970 WITH REGIONAL EXCEPTIONS**

When the American Land Title Association Lenders Policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy, the exclusions set forth in paragraph 4 above are used and the following exceptions to coverage appear in the policy.

**SCHEDULE B**

This policy does not insure against loss or damage by reason of the matters shown in parts one and two following:

**Part One:**

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
6. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.

**6. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992  
WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE  
EXCLUSIONS FROM COVERAGE**

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land, (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to the Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy (except to the extent that this policy insures the priority of the lien of the insured mortgage over any statutory lien for services, labor or material or the extent insurance is afforded herein as to assessments for street improvements under construction or completed at date of policy); or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable "doing business" laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any statutory lien for services, labor or materials (or the claim of priority of any statutory lien for services, labor or materials over the lien of the insured mortgage) arising from an improvement or work related to the land which is contracted for and commenced subsequent to Date of Policy and is not financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance.
7. Any claim, which arises out of the transaction creating the interest of the mortgagee insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (i) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
  - (ii) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
  - (iii) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
    - (a) to timely record the instrument of transfer; or
    - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

**7. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992 WITH REGIONAL EXCEPTIONS**

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 6 above are used and the following exceptions to coverage appear in the policy.

### SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
6. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.

### 8. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 1992 EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land, (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to the Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims, or other matters:
  - (a) created, suffered, assumed or agreed to by the insured claimant;
  - (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
  - (c) resulting in no loss or damage to the insured claimant;
  - (d) attaching or created subsequent to Date of Policy; or
  - (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.
4. Any claim, which arises out of the transaction vesting in the insured the estate or interest insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
  - (i) the transaction creating the estate or interest insured by this policy being deemed a fraudulent conveyance or fraudulent transfer; or
  - (ii) the transaction creating the estate or interest insured by this policy being deemed a preferential transfer except where the preferential transfer results from the failure:
    - (a) to timely record the instrument of transfer; or
    - (b) of such recordation to impart notice to a purchaser for value or a judgment or lien creditor.

### 9. AMERICAN LAND TITLE ASSOCIATION OWNER'S POLICY - 1992 WITH REGIONAL EXCEPTIONS

When the American Land Title Association policy is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 8 above are used and the following exceptions to coverage appear in the policy.

### SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

Part One:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. Unpatented mining claims; reservations or exceptions in patents or in Acts authorizing the issuance thereof; water rights, claims or title to water.
6. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.

### 10. AMERICAN LAND TITLE ASSOCIATION RESIDENTIAL TITLE INSURANCE POLICY - 1987 EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
 

• land use	• land division
• improvements on the land	• environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date.

This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

2. The right to take the land by condemning it, unless:
  - a notice of exercising the right appears in the public records on the Policy Date
  - the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking.
3. Title Risks:
  - that are created, allowed, or agreed to by you
  - that are known to you, but not to us, on the Policy Date - unless they appeared in the public records
  - that result in no loss to you
  - that first affect your title after the Policy Date - this does not limit the labor and material lien coverage in Item 3 of Covered Title Risks
4. Failure to pay value for your title.
5. Lack of a right:
  - to any land outside the area specifically described and referred to in Item 3 of Schedule A, or
  - in streets, alleys, or waterways that touch your land

This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

ADDENDUM TO EXHIBIT A  
LIST OF PRINTED EXCEPTIONS AND EXCLUSIONS (By Policy Type)

11. EAGLE PROTECTION OWNER'S POLICY

CLTA HOMEOWNER'S POLICY TO TITLE INSURANCE - 1998  
ALTA HOMEOWNER'S POLICY TO TITLE INSURANCE - 1998

Covered Risks 14 (Subdivision Law Violation), 15 (Building Permit), 16 (Zoning) and 18 (Encroachment of boundary walls or fences) are subject to Deductible Amounts and Maximum Dollar Limits of Liability

EXCLUSIONS

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

1. Governmental police power, and the existence or violation of any law or government regulation. This includes ordinances, laws and regulations concerning:
  - a. building
  - b. zoning
  - c. land use
  - d. improvements on the land
  - e. land division
  - f. environmental protection

This Exclusion does not apply to violations or the enforcement of these matters if notice of the violation or enforcement appears in the Public Records at the Policy Date.

This Exclusion does not limit the coverage described in Covered Risk 14, 15, 16, 17 or 24.

2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not apply to violations of building codes if notice of the violation appears in the Public Records at the Policy Date.
3. The right to take the Land by condemning it, unless:
  - a. a notice of exercising the right appears in the Public Records at the Policy Date; or
  - b. the taking happened before the Policy Date and is binding on You if You bought the Land without knowing of the taking.
4. Risks:
  - a. that are created, allowed, or agreed to by You, whether or not they appear in the Public Records;
  - b. that are Known to You at the Policy Date, but not to Us, unless they appear in the Public Records at the Policy Date;
  - c. that result in no loss to You; or
  - d. that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.d, 22, 23, 24 or 25.
5. Failure to pay value for Your Title.
6. Lack of a right:
  - a. to any Land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
  - b. in streets, alleys, or waterways that touch the Land

This Exclusion does not limit the coverage described in Covered Risk 11 or 13.

12. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992 WITH A.L.T.A. ENDORSEMENT FORM 1 COVERAGE  
WITH EAGLE PROTECTION ADDED

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees or expenses which arise by reason of:

1. (a) Any, law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the Land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the Land; (iii) a separation in ownership or a change in the dimensions or area of the Land or any parcel of which the Land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the Land has been recorded in Public Records at Date of Policy. This exclusion does not limit the coverage provided under insuring provisions 14, 15, 16 and 24 of this policy.
- (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the Public Records at Date of Policy. This exclusion does not limit the coverage provided under insuring provisions 14, 15, 16 and 24 of this policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the Public Records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without Knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
  - (a) created, suffered, assumed or agreed to by the Insured Claimant;
  - (b) not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;



- (c) resulting in no loss or damage to the Insured Claimant;
  - (d) attaching or created subsequent to Date of Policy (this paragraph (d) does not limit the coverage provided under insuring provisions 7, 8, 16, 17, 19, 20, 21, 23, 24 and 25); or
  - (e) resulting in loss or damage which would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of the Insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with applicable doing business laws of the state in which the Land is situated.
  5. Invalidity or unenforceability of the lien of the Insured Mortgage, or claim thereof, which arises out of the transaction evidenced by the Insured Mortgage and is based upon
    - (a) usury, except as provided under insuring provision 10 of this policy; or
    - (b) any consumer credit protection or truth in lending law.
  6. Taxes or assessments of any taxing or assessment authority which become a lien on the Land subsequent to Date of Policy.
  7. Any claim, which arises out of the transaction creating the interest of the mortgage insured by this policy, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that is based on:
    - (a) the transaction creating the interest of the insured mortgagee being deemed a fraudulent conveyance or fraudulent transfer; or
    - (b) the subordination of the interest of the insured mortgagee as a result of the application of the doctrine of equitable subordination; or
    - (c) the transaction creating the interest of the insured mortgagee being deemed a preferential transfer except where the preferential transfer results from the failure:
      - (i) to timely record the instrument of transfer; or
      - (ii) of such recordation of impart notice to a purchaser for value or a judgment or lien creditor
  8. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to advances or modifications made after the Insured has knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This exclusion does not limit the coverage provided under insuring provision 7.
  9. Lack of priority of the lien of the Insured Mortgage as to each and every advance made after Date of Policy, and all interest charged thereon, over liens, encumbrances and other matters affecting title, the existence of which are known to the Insured at:
    - (a) The time of the advance; or
    - (b) The time a modification is made to the terms of the Insured Mortgage which changes the rate of interest charged, if the rate of interest is greater as a result of the modification than it would have been before the modification.

This exclusion does not limit the coverage provided under insuring provision 7.

#### SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Environmental protection liens provided for by the following existing statutes, which liens will have priority over the lien of the Insured Mortgage when they arise: NONE

#### 13. AMERICAN LAND TITLE ASSOCIATION LOAN POLICY - 1992 WITH EAGLE PROTECTION ADDED WITH REGIONAL EXCEPTIONS

When the American Land Title Association loan policy with EAGLE Protection Added is used as a Standard Coverage Policy and not as an Extended Coverage Policy the exclusions set forth in paragraph 12 above are used and the following exceptions to coverage appear in the policy:

#### SCHEDULE B

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

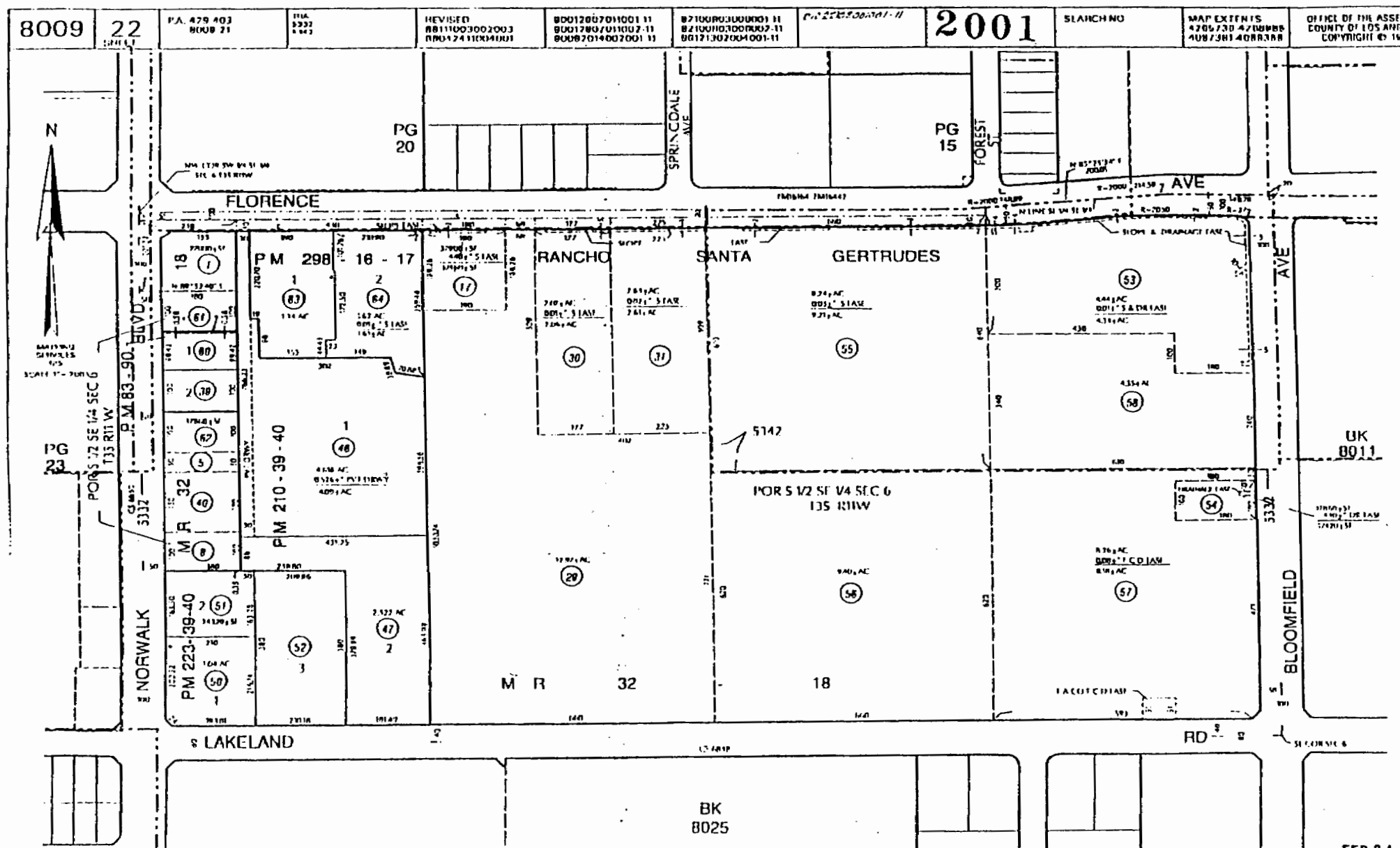
##### Part One:

1. Taxes or assessments which are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the public records.
2. Any facts, rights, interests, or claims which are not shown by the public records but which could be ascertained by an inspection of said land or by making inquiry of persons in possession thereof.
3. Easements, claims of easement or encumbrances which are not shown by the public records.
4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose, and which are not shown by public records.
5. Unpatented mining claims; reservations or exceptions in patents or in acts authorizing the issuance thereof; water rights, claims or title to water.
6. Any lien, or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.

##### Part Two:

1. Environmental protection liens provided for by the following existing statutes, which liens will have priority over the lien of the Insured Mortgage when they arise: NONE

1. MINOR INSULATIONS ARE GIVEN  
MAY INSTANT FROM RELIANCE UPON THIS MAP.



# First American Title Company



## Privacy Policy

### We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information-particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

### Applicability

This Privacy Policy governs our use to the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its *Fair Information Values*, a copy of which can be found on our website at [www.firstam.com](http://www.firstam.com).

### Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we received from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

### Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

### Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

### Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's *Fair Information Values*. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name and Address): <b>James R. Potter (Bar # 166992)</b> <b>Office of the Attorney General</b> <b>300 South Spring St</b> <b>Los Angeles, California 90013</b>	TELEPHONE NO.: <b>(213) 897-2637</b> FAX NO.: <b>(213) 897-2802</b>	FOR COURT USE ONLY
ATTORNEY FOR (Name): <b>People Of The State Of California, Plaintiff</b>		
Insert name of court and name of judicial district and branch court, if any <b>Superior Court of California, County of Los Angeles, Southeast</b>		
PLAINTIFF/PETITIONER: <b>PEOPLE STATE OF CALIFORNIA, Dept. Toxic Substances Control</b>		
DEFENDANT/RESPONDENT: <b>CENCO REFINING COMPANY and POWERINE OIL COMPANY</b>		
<b>REQUEST FOR DISMISSAL</b> <input type="checkbox"/> Personal Injury, Property Damage, or Wrongful Death <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other <input type="checkbox"/> Family Law <input type="checkbox"/> Eminent Domain <input checked="" type="checkbox"/> Other (specify): <b>Environmental</b>		CASE NUMBER:  <div style="text-align: center; font-size: 1.2em;">BC 230158</div>

— A conformed copy will not be returned by the clerk unless a method of return is provided with the document. —

**1. TO THE CLERK: Please dismiss this action as follows:**

a. (1) ☐ With prejudice      (2) ☒ Without prejudice

b. (1) ☐ Complaint      (2) ☐ Petition

(3) ☐ Cross-complaint filed by (name):

on (date):

(4) ☐ Cross-complaint filed by (name):

on (date):

(5) ☐ Entire action of all parties and all causes of action

(6) ☒ Other (specify):\* **1st Cause of Action except with respect to tanks 10006, 27105, 1002, 2030, 3012, and 3072.**

Date:

(TYPE OR PRINT NAME OF ☐ ATTORNEY ☐ PARTY WITHOUT ATTORNEY)

\* If dismissal requested is of specified parties only, of specified causes of action only, or of specified cross-complaints only, so state and identify the parties, causes of action, or cross-complaints to be dismissed.

(SIGNATURE)

Attorney or party without attorney for:

☐ Plaintiff/Petitioner

☐ Defendant/Respondent

☐ Cross-complainant

**2. TO THE CLERK: Consent to the above dismissal is hereby given.\*\***

Date:

(TYPE OR PRINT NAME OF ☐ ATTORNEY ☐ PARTY WITHOUT ATTORNEY)

\*\* If a cross-complaint—or Response (Family Law) seeking affirmative relief—is on file, the attorney for cross-complainant (respondent) must sign this consent if required by Code of Civil Procedure section 581(i) or (j)

(SIGNATURE)

Attorney or party without attorney for:

☐ Plaintiff/Petitioner

☐ Defendant/Respondent

☐ Cross-complainant

(To be completed by clerk)

3. ☐ Dismissal entered as requested on (date):

4. ☐ Dismissal entered on (date): as to only (name):

5. ☐ Dismissal not entered as requested for the following reasons (specify):

6. ☐ a. Attorney or party without attorney notified on (date):

b. Attorney or party without attorney not notified. Filing party failed to provide

☐ a copy to conform      ☐ means to return conformed copy

Date:

Clerk, by \_\_\_\_\_, Deputy

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name and Address): <b>James R. Potter (Bar # 166992)</b> <b>Office of the Attorney General</b> <b>300 South Spring St</b> <b>Los Angeles, California 90013</b>	TELEPHONE NO.: <b>(213) 897-2637</b> FAX NO.: <b>(213) 897-2802</b>	FOR COURT USE ONLY
ATTORNEY FOR (Name): <b>People Of The State Of California, Plaintiff</b>		
Insert name of court and name of judicial district and branch court, if any: <b>Superior Court of California, County of Los Angeles, Southeast</b>		
PLAINTIFF/PETITIONER: <b>PEOPLE STATE OF CALIFORNIA, Dept. Toxic Substances Control</b> DEFENDANT/RESPONDENT: <b>CENCO REFINING COMPANY and POWERINE OIL COMPANY</b>		
<b>REQUEST FOR DISMISSAL</b> <input type="checkbox"/> Personal Injury, Property Damage, or Wrongful Death <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other <input type="checkbox"/> Family Law <input type="checkbox"/> Eminent Domain <input checked="" type="checkbox"/> Other (specify): <b>Environmental</b>		CASE NUMBER:  <div style="text-align: center; font-size: 1.2em;">BC 230158</div>

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**1. TO THE CLERK: Please dismiss this action as follows:**

a. (1) ☐ With prejudice      (2) ☒ Without prejudice

b. (1) ☐ Complaint      (2) ☐ Petition

(3) ☐ Cross-complaint filed by (name):

on (date):

(4) ☐ Cross-complaint filed by (name):

on (date):

(5) ☐ Entire action of all parties and all causes of action

(6) ☒ Other (specify):\*

2d Cause of Action except with respect to tanks 10006, 27105, 5516, 96109, 96110, 1002, 2030, 3012, and 3072.

Date:

(TYPE OR PRINT NAME OF ☐ ATTORNEY ☐ PARTY WITHOUT ATTORNEY)

\* If dismissal requested is of specified parties only, of specified causes of action only, or of specified cross-complaints only, so state and identify the parties, causes of action, or cross-complaints to be dismissed.

(SIGNATURE)

Attorney or party without attorney for:

☐ Plaintiff/Petitioner

☐ Defendant/Respondent

☐ Cross-complainant

**2. TO THE CLERK: Consent to the above dismissal is hereby given.\*\***

Date:

(TYPE OR PRINT NAME OF ☐ ATTORNEY ☐ PARTY WITHOUT ATTORNEY)

(SIGNATURE)

\*\* If a cross-complaint—or Response (Family Law) seeking affirmative relief—is on file, the attorney for cross-complainant (respondent) must sign this consent if required by Code of Civil Procedure section 581(i) or (j)

Attorney or party without attorney for:

☐ Plaintiff/Petitioner

☐ Defendant/Respondent

☐ Cross-complainant

(To be completed by clerk)

3. ☐ Dismissal entered as requested on (date):

4. ☐ Dismissal entered on (date): as to only (name):

5. ☐ Dismissal not entered as requested for the following reasons (specify):

6. ☐ a. Attorney or party without attorney notified on (date):

b. Attorney or party without attorney not notified. Filing party failed to provide

☐ a copy to conform      ☐ means to return conformed copy

Date:

Clerk, by \_\_\_\_\_, Deputy

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name and Address): <b>James R. Potter (Bar # 166992)</b> <b>Office of the Attorney General</b> <b>300 South Spring St</b> <b>Los Angeles, California 90013</b>	TELEPHONE NO. <b>(213) 897-2637</b>  FAX NO.: <b>(213) 897-2802</b>	FOR COURT USE ONLY
ATTORNEY FOR (Name): <b>People Of The State Of California, Plaintiff</b>		
Insert name of court and name of judicial district and branch court, if any:  <b>Superior Court of California, County of Los Angeles, Southeast</b>		
PLAINTIFF/PETITIONER: <b>PEOPLE STATE OF CALIFORNIA, Dept. Toxic Substances Control</b>  DEFENDANT/RESPONDENT: <b>CENCO REFINING COMPANY and POWERINE OIL COMPANY</b>		
<b>REQUEST FOR DISMISSAL</b> <input type="checkbox"/> Personal Injury, Property Damage, or Wrongful Death <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other <input type="checkbox"/> Family Law <input type="checkbox"/> Eminent Domain <input checked="" type="checkbox"/> Other (specify): <b>Environmental</b>		CASE NUMBER:  <div style="text-align: center; font-size: 1.2em;">BC 230158</div>

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**1. TO THE CLERK: Please dismiss this action as follows:**

- a. (1) ☒ With prejudice      (2) ☐ Without prejudice
- b. (1) ☐ Complaint      (2) ☐ Petition
- (3) ☐ Cross-complaint filed by (name):
- (4) ☐ Cross-complaint filed by (name):
- (5) ☐ Entire action of all parties and all causes of action
- (6) ☒ Other (specify):\* **Third Cause of Action.**

on (date):  
on (date):

Date:

(TYPE OR PRINT NAME OF ☐ ATTORNEY ☐ PARTY WITHOUT ATTORNEY)  
 \* If dismissal requested is of specified parties only, of specified causes of action only, or of specified cross-complaints only, so state and identify the parties, causes of action, or cross-complaints to be dismissed.

(SIGNATURE)

Attorney or party without attorney for:

☐ Plaintiff/Petitioner      ☐ Defendant/Respondent  
☐ Cross-complainant

**2. TO THE CLERK: Consent to the above dismissal is hereby given.\*\***

Date:

(TYPE OR PRINT NAME OF ☐ ATTORNEY ☐ PARTY WITHOUT ATTORNEY)  
 \*\* If a cross-complaint—or Response (Family Law) seeking affirmative relief—is on file, the attorney for cross-complainant (respondent) must sign this consent if required by Code of Civil Procedure section 581(i) or (j)

(SIGNATURE)

Attorney or party without attorney for:

☐ Plaintiff/Petitioner      ☐ Defendant/Respondent  
☐ Cross-complainant

(To be completed by clerk)

3. ☐ Dismissal entered as requested on (date):
4. ☐ Dismissal entered on (date):      as to only (name):
5. ☐ Dismissal not entered as requested for the following reasons (specify):
6. ☐ a. Attorney or party without attorney notified on (date):  
     b. Attorney or party without attorney not notified. Filing party failed to provide  
         ☐ a copy to conform      ☐ means to return conformed copy

Date:

Clerk, by \_\_\_\_\_, Deputy